

GUIDE TO CORPORATE GOVERNANCE



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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INTRODUCTION

Today, boards play a significant role in the guidance of an organization. In the Saskatchewan health system, regional health authorities (RHAs) and the Saskatchewan Cancer Agency (SCA) work hard to ensure the delivery of health services to the people of Saskatchewan. In general, how a board governs affects an organization. Embracing best practices in corporate governance helps boards operate at an optimal level and achieve the goals for the organization.

Good corporate governance is not restricted to a specific type of organization. Furthermore, all corporate governance systems throughout the world are the product of a series of legal, regulatory and best practice elements.¹ Good corporate governance is principle-based rather than rule-based. Thus, the *Guide to Corporate Governance in the Saskatchewan Health Sector* highlights a collection of best practice principles that comprise effective governance.

This document, as developed through a collaborative review of governance best practices literature, actual public sector organization experiences and current Saskatchewan health sector practices, was compiled to serve the needs of regional health authorities and the Saskatchewan Cancer Agency. The guide is designed to be a concise tool for boards to use in their application of best practices.

We recognize the regional health authorities' and Saskatchewan Cancer Agency's commitment to achieving effective corporate governance and recognize that many of the features for effective governance are already in place and/or being practiced. Hence, this document is not intended

to be prescriptive nor promote a simple 'tick the box' environment of compliance. Rather, this document is intended to be a reference for boards in their review and update of governance practices to meet opportunities and varying needs.

Given the continual evolution of governance practices, it is expected that this guide is dynamic and will be updated as new best practices emerge. Additionally, each board is unique and each board may choose to adapt these practices in the way that is most suitable to their organization.

The *Guide to Corporate Governance in the Saskatchewan Health Sector* is divided into five parts:

- **Part One:** Context in which governing bodies operate. This section identifies the key partners in the Saskatchewan health system;
- **Part Two:** Accountability. This section defines accountability and the elements that contribute to effective accountability;
- **Part Three:** Governance. This section further defines governance, its models and how it contributes to effective organizational outcomes;
- **Part Four:** Summary of Governance Best Practices. This section outlines best practices and gives examples of how these practices can be applied.

The first four parts comprise the core section of the document. This core provides the principle information surrounding accountability, governance and governance best practices. The appendices are an additional resource and provide more detailed information on the topics covered in the core section.

¹ The Conference Board of Canada (2005). *Corporate Governance Handbook 2005: Developments in Best Practices, Compliance, and Legal Standards*.

INTRODUCTION

In achieving its success, a board governs and works towards goals as a team. Exercising collective influence, board members have no individual authority or power. They may disagree, debate and/or argue about issues, but to decide and act, members must do so together.

The regional health authorities and Saskatchewan Cancer Agency's continued delivery of high quality services to communities will ultimately reflect the benefits of continuing to work together towards effective corporate governance.

1.0 CONTEXT

A major theme underlying this document is the shared responsibility of the Government of Saskatchewan, regional health authorities, health care organizations and the health professions for ensuring quality in Saskatchewan's health system. This requires that all parties work together to continually improve quality in the delivery of care.

Regional Health Authorities, the Saskatchewan Cancer Agency, and the Athabasca Health Authority comprise the governing bodies in the Saskatchewan Health System. The purpose of this section is to highlight the context in which these governing bodies operate and the players governing bodies interact with.

The Saskatchewan Health System

Saskatchewan's vision for health is "building a province of healthy people and healthy communities". It is a broad and long-term vision that includes not only the provision of quality health services but also the importance of promoting and protecting good health. In co-operation with the Minister of Health stakeholders in the health system, including regional health authorities, work together and with other sectors to improve the health of Saskatchewan's people and the quality of the health system. Continual improvement in the quality of Saskatchewan's health system requires an ongoing focus on governance.

Partners and Stakeholders

Key partners in the Saskatchewan health system include: regional health authorities, the Saskatchewan Cancer Agency, Minister and the Ministry of Health, the provincial and federal governments, health care organizations (HCOs), First Nations, and other major partners such as Health Quality Council, Saskatchewan Association of Health Organizations (SAHO), and Saskatchewan people/public. These key partners have relationships or partnerships with each other, and they are interconnected and interdependent.

Relationship with Government

Accountability refers to a formal relationship between parties where a responsibility is conferred and accepted and with it, an obligation to report back on the discharge of that responsibility. One is responsible for something, but accountable to someone.

An accountable party is subject to direction or sanctions by the individual or body that confers responsibility. Answerability, on the other hand, is the obligation to simply provide information and explanation to another party. An answerable party is not subject to direction or sanctions by the party requesting the information.

Answerability arises from implicit or explicit expectations between parties in a relationship, sometimes based on traditions. These expectations can result in obligations between the answerable parties. A governing body can be both answerable and accountable to a party or just answerable to a party.

The governing bodies have the formal accountability relationships with government as outlined in the Accountability Framework (see page 2.9).

1.0 CONTEXT

The governing bodies are answerable to different areas of government including: the Legislative Assembly and its officers – the Provincial Auditor, Information and Privacy Commissioner, Ombudsman and Children’s Advocate, the

provincial government, Minister of Health, the Ministry of Health, other ministers in the Government of Saskatchewan and the Federal government.

2.0 ACCOUNTABILITY

The overall objective of a regional health authority is to maintain and enhance the health status of its population. As well, the board of a regional health authority establishes how the health authority can best contribute to the achievement of the overall vision for health in Saskatchewan, and is accountable for its performance in governing health care.

Introduction

Improvement in the overall quality of Saskatchewan's health system requires an understanding of accountability. We need to clearly assign responsibilities, set expectations and monitor and report on the performance of the system.

The purpose of part two is to describe the structure and processes supporting accountability in Saskatchewan's health system. The first half discusses the concept of accountability and what comprises effective accountability. The second half applies accountability to the context of Saskatchewan's health system, including the roles, responsibilities and reporting relationships of the various players in Saskatchewan's health system. This focus on both process and structure is important to ensure not only that individuals and organizations are accountable, but also that accountability leads to ongoing improvements.

Establishment of a complete accountability framework that is supported by appropriate processes will be ongoing. Further work will be needed to clarify roles, responsibilities, reporting relationships and processes, as the health system changes in response to new

challenges. The expectations for governance are based on responsibilities outlined in legislation. Clear expectations provide the context within which boards can focus on their roles and responsibilities, and how they work together and with others to achieve "a province of healthy people and healthy communities".

Distinguishing Accountability from Similar Concepts

"Accountability" must be distinguished from similar terms such as responsibility and answerability. Accountability and responsibility are not synonyms. A responsibility is the obligation to act or make a decision. Accountability is a type of formal relationship that comes into existence when a responsibility is conferred and accepted and with it, an obligation to report back on the discharge of that responsibility. One is responsible for something, but accountable to someone.

An accountable party is subject to direction or sanctions by the individual or body that confers responsibility. Answerability, on the other hand, is the obligation to simply provide information and explanation to another party. An answerable party is not subject to direction or sanctions by the party requesting the information. Answerability arises from implicit or explicit expectations between parties in a relationship, sometimes based on traditions. These expectations can result in obligations between the answerable parties.

Many of the informal relationships that exist throughout the health system are "answerable" relationships. Health professionals, for example, are answerable to their peers as individuals and to other health professionals - this enables teams to function. Peers share information but don't provide direction or apply sanctions to each other. Health authorities are answerable to other

2.0 ACCOUNTABILITY

health authorities - sharing information enables authorities to provide better coordinated care for the people of Saskatchewan.

Similarly, health professionals and other health care providers are answerable to their patients. Health professionals provide information and explanation to patients and obtain consent before providing treatment, but patients do not provide direction or apply sanctions to improve professionals' performance. However, patients can exercise their rights to seek professional care elsewhere or to raise issues with the professional bodies to whom the various professions are answerable for their licensure.

Principles for Effective Accountability

There are five main principles that help achieve effective accountability by defining the relationships and practices that promote effective accountability.

The Principles for Effective Accountability are:

- Clear roles and responsibilities;
- Clear performance expectations;
- Balanced expectations and capacities;
- Credible reporting; and
- Reasonable review and adjustment.

While these principles do not necessarily imply additional formality of relationships, they do imply good management practices consistent with accountability obligations. Furthermore, the more each of these principles is present in an accountability arrangement, the greater the likelihood that accountability is effectively in practice. They also suggest indicators that can be used to assess the degree and depth of the accountability relationship.

Clear roles and responsibilities

The roles and responsibilities of the parties in the accountability relationship should be agreed

upon and well understood by all parties involved. Such an understanding provides the context within which both parties will respond and perform.

If an understanding does not exist and required clarification has not occurred, the basic underpinnings of an effective relationship are absent. This risks confusing implementation of arrangements and, if things go wrong, makes it more difficult to determine what happened. Parties in an accountability relationship must make certain that the responsibilities for the procedures and processes used are clear.

Clear performance expectations

The objectives being pursued, the accomplishments expected and the constraints to be respected should be explicit, understood and agreed upon.

If expectations are unclear, their realization is, of course, quite unlikely. Accordingly, it is very important that the expectations are mutually understood and accepted. This includes the need to agree on what each party is expected to contribute to the end result, including the inputs and outputs to achieve the desired outcomes.

Balanced expectations and capacities

Performance expectations need to be clearly linked to and in balance with the capacity (authorities, skills and resources) of each party to deliver. An absence of a plausible link between what is expected and the authorities and resources supplied will tend to undermine the effectiveness of accountability. Expectations that are well beyond what is seen as reasonable for the resources provided will not be believed. On the other hand, achievement of what is seen as more than adequately resourced would not garner much credit. Accordingly, accountability is enhanced by clarity of the links, and balance, between resources and expected results.

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Credible reporting

Credible and timely reporting of information demonstrates the performance achieved and what has been learned. Effective accountability requires reporting (an accounting) of what has been accomplished. This reporting can be to bodies to whom the parties are responsible and to the “other” parties in the accountability relationship.

The results accomplished must be described, attributed in some manner to the authority, linked to resources and actions taken, presented in light of the agreed expectations and reported in a reasonable time frame. Depending on the circumstances, reporting can be ongoing, periodic or both. In some situations, an external audit can be used to enhance the credibility of performance information.

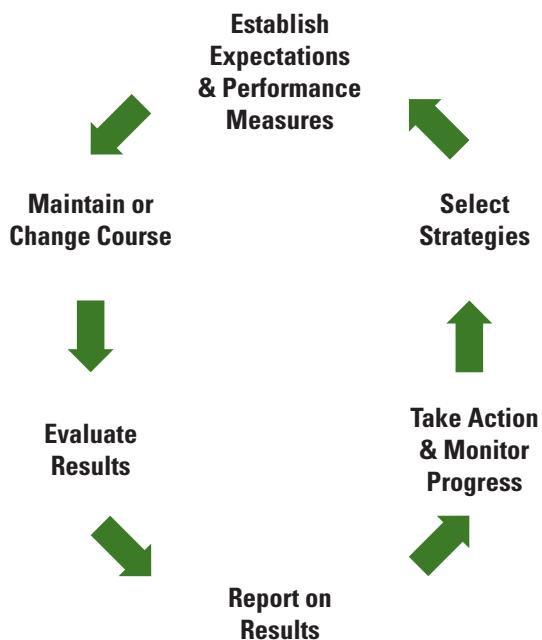
Reasonable review and adjustment

Accountable parties should carry out enlightened and informed review and feedback on the performance achieved. Review should also include recognition of achievements. Additionally, the reviews should provide opportunities to assess difficulties and make necessary corrections.

The party or parties reviewing results need to consider what has been accomplished in light of expectations and the circumstances that existed, and then recognize achievements as well as under-achievements. Where expectations have clearly not been met, corrective actions may need to be taken, possible adjustments to the accountability arrangement made and lessons-learned noted. An accountability relationship without follow-up would impede the effectiveness of the process.

Accountability Process and Mechanisms

This section describes the overall process and mechanisms needed to ensure accountability and support continuous improvement. Accountability and continuous improvement are a continuous feedback loop of several well-defined steps (Figure 1).



Establish expectations and performance measures

Expectations are desired results as set out in goals, guidelines, standards, targets or benchmarks. Expectations need to be set and clearly communicated.

Goals and targets (desired level of performance, to be achieved by a specific date) are developed by reference to standards (minimum acceptable performance levels) and benchmarks (comparators). This step includes deciding how progress toward goals will be measured in quantitative terms. It also includes developing the supporting information and reporting mechanisms for tracking and analyzing progress toward goals.

2.0 ACCOUNTABILITY

Select strategies

Options for achieving expectations are developed and evaluated and strategies are selected. This phase includes identifying who is responsible for carrying out specific strategies and tasks.

Take action and monitor progress

The implementation phase involves doing the work, developing specific policies and procedures, designing programs or services and implementing and managing activities. It also includes collecting performance information to compare actual with planned results.

Report on results

Actual results achieved are reported and compared with planned results. Public reporting of progress towards goals and other expectations enables Saskatchewan Health to assess the performance of the health system.

Evaluate results

Results are assessed both by those conferring responsibility and by those charged with the responsibility. This evaluation involves consideration of the circumstances contributing to performance.

Maintain or Change Course

Based on the evaluation of performance and an assessment of current needs, decisions are made regarding whether changes to strategies, measures or even goals and other expectations are required. Decisions are fed back into the continuous improvement process of setting expectations, selecting strategies and monitoring.

The accountability and continuous improvement process depicted in Figure 1 applies at all levels of the accountability structure within Saskatchewan Health, health authorities, health care organizations, facilities and programs,

individuals working within the health system and the public.

Accountability in Context

In 1995, the Minister of Health released the document *A Framework of Accountability – The Minister of Health and District Health Boards*, which sought to set out the accountability relationships in the health system. The introduction of regional health authorities increased the need to modify and strengthen our understanding of the concept of accountability. By making sure that the roles and responsibilities of the respective parties are understood, a more effective and efficient health care system can be delivered.

Conventional media interpretation and ordinary discourse often interpret accountability simply as a process of assigning blame and punishing wrong-doing. However, modern governance and public administration literature see accountability more as a positive incentive - as an opportunity to demonstrate achievements and stewardship. In this view, accountability is an integral and indispensable part of establishing effective relationships for getting things done and taking responsibility, including when assigning authority and resources.

Accountability is not a simple notion and often not well understood, and its effective application to the complexities of the health care system can be at times problematic. Despite these complexities the need for accountability does not change, but it is necessary to adjust our understanding of how it applies and is practised.

A widely used definition of accountability in the literature is as: *the obligation to answer for a responsibility that has been responsibly conferred*. This definition often is interpreted as implying two distinct and often unequal partners: one confers and the other is obliged to answer.

2.0 ACCOUNTABILITY

In the context of meeting health needs of Saskatchewan people more effectively and efficiently, the abovementioned definition can be expanded to:

Accountability is a relationship based on the obligation to demonstrate and take responsibility for performance in light of agreed upon expectations.

This definition makes clear the need to answer for what has been accomplished (or unaccomplished) that is of significance and of value. In demonstrating performance against agreed upon expectations, both the need to balance greater flexibility and autonomy with enhanced accountability for results and the need for openness and transparency are made evident. The ‘agreement’ referred to is either an explicit or implicit agreement between subordinates and superiors in a hierarchical relationship, or the agreement between partners in a less hierarchical relationship.

Achieving Accountability in Saskatchewan’s Health System

The process of accountability applies at all levels of the health system - Saskatchewan Health, regional health authorities, health care organizations, providers and other stakeholders.

As partners in the health system we must work together to ensure the shared vision of “building a province of healthy people and healthy communities” is met. For accountability in the health system to be fully effective, all parties involved must feel individually and collectively accountable and share basic common values with respect to the health system. To the extent that shared values of responsibility, ownership, integrity and trust can be developed, the accountability arrangements will be stronger.

Accountability in our health system is supported by a number of mechanisms, including:

- *The Action Plan for Saskatchewan Health Care;*
- legislation, regulations, policies (e.g. *The Regional Health Services Act*);
- *Roles and Expectations of The Minister of Health and Saskatchewan’s Regional Health Authorities*
- planning and budgeting process;
- operating agreements between regional health authorities and health care organizations;
- statistical, financial, and administrative reporting and monitoring;
- annual and other reports;
- processes for assurance of good practice; and
- remedies to address board and service delivery performance issues.

Legislative and Accountability Framework

As cited above, a number of mechanisms are in place to help foster greater collaboration between those in the health system. For example, Ministers Forum and Leadership Council provide opportunities to clarify roles and responsibilities while setting the foundation for a more effective planning process linked to the government’s strategic planning activities.

In support of *The Action Plan for Saskatchewan Health Care*, Saskatchewan Health developed an accountability framework, a series of interrelated policies and processes that defines and clarifies the performance relationship between boards and the provincial government. While boards are responsible to the public for the services that they provide, their accountability in operating the programs and services lies to the province through the Ministers of Health.

2.0 ACCOUNTABILITY

Responsibilities of Key Partners in Saskatchewan's Health System

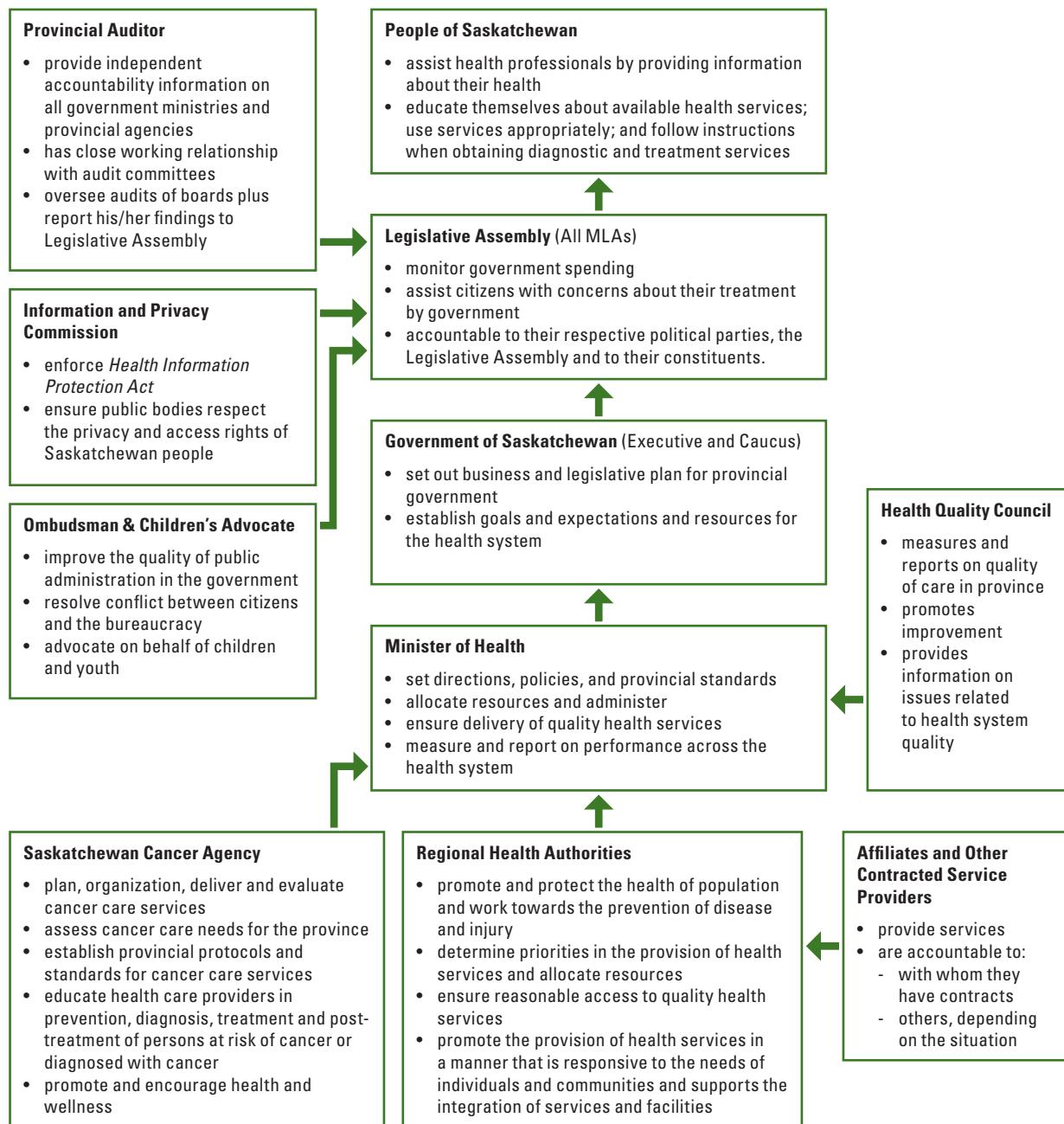
The following diagram (Figure 2) summarizes the primary responsibilities for which key partners are accountable in Saskatchewan's health system:

- members of the Legislative Assembly are *accountable* to their electorate;
- the Government of Saskatchewan, the Minister of Health, the Provincial Auditor and the Information and Privacy Commissioner and the Office of the Ombudsman & Children's Advocate are *accountable* to the Legislative Assembly;

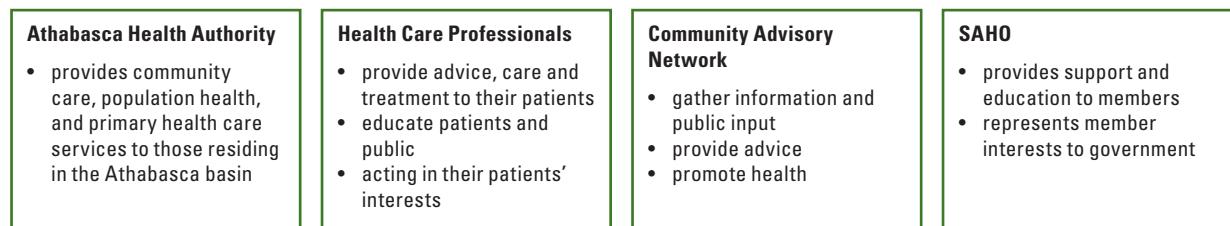
Regional health authorities, the Cancer Agency and health care organizations are accountable to the Minister of Health; and health care organizations and contracted service providers are accountable to the regional health authorities with which they have funding and service agreements.

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Accountability Framework For Key Partners in Saskatchewan's Health System



Other Key Players



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Recent research findings increasingly support the notion that good governance practices are important to effective organizational performance. A study conducted by the Conference Board of Canada suggests that those corporations that have been implemented the best governance practices have attained the best results on key performance criteria.

Introduction

As with strong accountability relationships, good governance is necessary to foster continual improvement in the effective delivery of health services to Saskatchewan people. Accountability and governance provide the context within which a board can focus on their tasks while working together and with others to successfully achieve regional and provincial goals for health.

While expectations for boards are based on the responsibilities set out in legislation/regulations, governance models vary by organization. Governance models vary according to how a board is structured, how responsibilities are distributed between board, management and staff and how processes are used for board development, management, and decision-making.

Governance Further Defined

Governance is not a process strictly about organizational controls. More correctly, governance is about stewardship where the governing body guides the strategic direction of the organization. In other words, governance sets the desired goals for an organization but does

not necessarily dictate the exact process for how those outcomes will be achieved. Instead, the responsibility of day-to-day management resides with the CEO, who leads the organization in achieving the board-approved directions and in turn, recommends new initiatives to the board.

Above all, governance is about trust and confidence. Board members play an extremely important fiduciary role in the care of the organization. Others, such as the public, entrust the board to act in the best interest of the organization. By fulfilling its fiduciary role, a board fosters respect, confidence, support and ultimately, unity in the organization.

Barriers to Effective Governance

There are a number of barriers that could impede implementing effective corporate governance best practices. Primarily, these barriers are:

- a lack of understanding about corporate governance, its purpose, and the roles of individuals involved;
- preoccupation with controls where the board spends too much time controlling details rather than guiding the overall strategic direction of the organization; and
- unwillingness of boards to question management directives or ideas, particularly to gain a better understanding where needed.

In working towards achieving corporate governance best practices, boards should be aware of these barriers. This awareness will help boards avoid behaviours and situations that would work against achieving effective governance.

An Overview of Governance Models

Good governance does not just happen, which is why boards need to look to models of governance

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to establish a systematic framework for how boards conduct business.

Literature describes a ‘governance model’ as a set of structures, functions and practices that define who does what and how they do it, related to the roles and relationships of board members and the chief executive officer (CEO). A model provides a coherent set of policies and practices related to governance, and reviewing models of governance can be an effective part of an approach to analyze governance needs. Current literature on governance models includes a number of conceptual governance models and schemes. A brief overview of governance models may provide a general picture of governance that facilitates understanding of best practices of governance in the Saskatchewan health system, particularly within the framework that comprises components of legislation/regulation, accountability and expectations.

Operational

Board members do the work as well as govern the organization. This is typical of a board in the founding stage and organizations, such as service clubs, that have no staff and that rely largely on board members and other volunteers to achieve their aims.

Collective

The board and staff are involved as a single team in decision-making about governance and the work of the organization. The board members may be involved in some of the work in services and/or management functions.

Management

The board manages the operations of the organization but may have a modest staff, e.g., a single staff coordinator. Board members actively manage finances, personnel, service delivery, etc. Staff members may report to board member

managers directly, through a staff coordinator or through a dual reporting line.

Traditional

The board governs and oversees operations through committees but delegates the management functions to the chief executive officer (CEO). Committees are used to process information for the board and sometimes do the work of the board. The CEO may have a primary reporting relationship to the board through the board chair.

Policy Governance

The board governs through policies that define the board/CEO relationship, and establish organizational aims (ends), governance approach and management limitations. The CEO has broad freedom to determine the means that will be used to achieve the organizational aims. The CEO reports to the full board. It does not use committees but may use task teams to assist the board in specific aspects of its work.

Results-Oriented Board

The CEO is a non-voting member of the board, carries substantial influence over policy-making, is viewed as a full partner with the board and has a relatively free hand at managing to achieve objectives established by the board. Committees are used for monitoring/auditing performance of the board, CEO, and organization. Board members are selected for community profile, capacity to open doors for the organization and may be used for selected tasks in their area of expertise.

Advisory

The board’s principal role is to support the CEO. The CEO may play a significant role in selection of board members. The board provides legitimacy to the organization but exercises its governance role in a hands-off manner. Board members are

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selected for community profile and contacts. Board members provide advice and guidance to staff on complex or contentious matters, and may contribute individually or through task groups to particular aspects of organizational work. However, the board retains fundamental accountability for the organization and will have to assume a more proactive role in the case of any major crisis.

Representational

An approach used by organizations where governance is partially or wholly in the hands of publicly elected officials. This is the case, for example, with school boards, federations, or other organizations where there is a need to ensure direct representation of constituents' interests. The challenge for board members is to balance interests of their particular constituents against the best interests of the overall organization. They may, and in the case of publicly elected officials do, carry grievance resolution/ombudsman functions. They may, as in the case of school boards, have prescribed responsibilities for public consultation and human resources.

Hybrid Policy Leadership Model

The Hybrid Policy Leadership Model provides for board stewardship by maintaining clear separation between governance and management, with a board focus on providing strategic leadership and development. Management focuses on developing policy options for operations that provide board members full background information, a range of options and the implications of each option.

Adopting a Governance Model in the Saskatchewan Health Sector

In Saskatchewan, the public has always had high expectations of government and health care

providers regarding the provision of accessible and quality health services. In recent years public concerns around the health system have focused around how budgetary and structural changes will affect the overall health system. This is particularly reflected at a personal level where people are concerned about their ability to access health services in a timely fashion.

To effectively discharge their responsibilities, the boards are expected to understand how health needs and services align with provincial and national priorities for the health system in complex areas such as surgical and diagnostic wait times, planning for health human resources, primary health care, and aboriginal health care.

Within this context, the boards should adopt a model of governance that best meets their needs, fits their specific circumstances, and allows them to discharge the expectations set out in the *Roles and Expectations Document*.

The model that the board adopts, affords the board all the resources and knowledge required to oversee the provision of health services and make decisions that positively contribute to meeting provincial goals and objectives. The governance model that effectively positions a board's responsibility for policy development with the need for knowledge about operational matters may be conceptualized in the middle of a continuum between a pure policy position and a "micro-management" position that sees a board over-involved in areas of management.

For greater clarity, it is necessary to make a distinction between governance and management. This distinction can be characterized as follows:

The Board's relationship to management is critical to healthy governance. It is a relationship that must continue to be maintained in a delicate balance. What

3.0 GOVERNANCE

is required is a common appreciation by management and the Board of their respective roles, a mutual respect by each party in carrying them out, continuing dialogue and communication, and strong leadership within the Board. ...[The Board] must delegate authority [to the CEO] and recognize that, once authority is delegated, management must be free to manage. But the board cannot be too accepting of management's views. It has the responsibility to test and question management assertions, to monitor progress, to evaluate management's performance and, where warranted, to take corrective action.²

Within the context of a regional health authority or Saskatchewan Cancer Agency, the board provides strategic leadership and direction of the

organization by establishing the vision, mission, and core values in accordance with the provincial strategic direction. The board also establishes policies, makes decisions, and monitors performance related to the key dimensions of board business as well as its own effectiveness; whereas management is focused on development of operational plans, policy options, appropriate reports to support decisions and management of operations consistent with board policy.

The following table is an example of a framework in which the responsibilities for the strategy and strategic planning are divided between the board and senior management. The division may be flexible depending on the size, complexity, and resources of the organization.

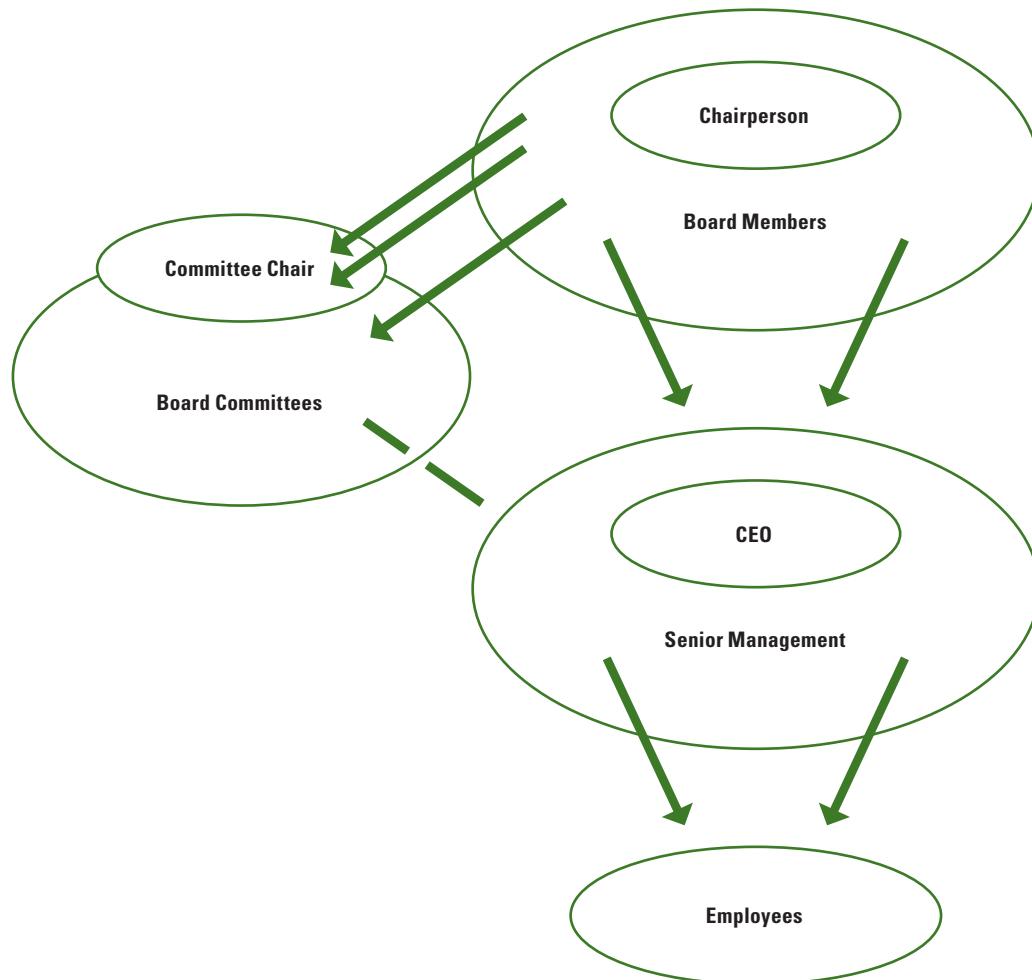
| TASK | RESPONSIBILITY | |
|--|----------------|------------|
| | Board | Management |
| <ul style="list-style-type: none">• Providing leadership and direction in developing a strategic plan• Developing and implementing or operationalizing a strategic plan• Assessing and approving the strategic planning process | ✓ ✓ | ✓ |
| <ul style="list-style-type: none">• Establishing the vision, mission, and core values;• Demonstrating integrity and ethical leadership in support of the board responsibilities with respect to development and periodical review of its mission and objectives | ✓ | ✓ |
| <ul style="list-style-type: none">• Ensuring that key financial objectives and indicators are developed for approval by the board and monitoring performance against these objectives• Ensuring financial performance and appropriate systems and structures are in place for the effective management of the board | ✓ | ✓ |
| <ul style="list-style-type: none">• Preparing operating plans• Preparing budgets• Approving budgets | ✓ | ✓ ✓ |

² The Toronto Stock Exchange (2001). *Beyond Compliance: Building a Governance Culture* (p. 12).

3.0 GOVERNANCE

A Model of Corporate Governance Team in the Regional Health Authority/Saskatchewan Cancer Agency Context

The model³ suggests the relationship between board, its committees and management. Senior management can be part of committees for their expertise and regarded as non-voting members of committees.



³ Adapted from: Brown D., and Brown D. (1999). The Conference Board of Canada: *Who Does What? Roles, Responsibilities and Relationships of Directors, Executives and Shareholders*.

4.0 Summary of Governance Best Practices

Key Areas

The *Roles and Expectations Document* outlines the roles and expectations of the Minister of Health as well as the roles and expectations for the regional health authorities and health care organizations in the following key areas:

- I. Strategic Planning
- II. Financial Management and Reporting
- III. Relationships
- IV. Quality Management
- V. Monitoring, Evaluation and Reporting
- VI. Management and Performance

We have added an additional key area of Board of Directors/Governance. While there are best practices related to all of the key areas, for now the scope of this guide will focus on the area of

governance. We acknowledge that some of the best practices for a board are related to other key areas and at times there will be overlap among best practices.

The table below is a summary of the best practices for governance in Saskatchewan's health care system. Along with each best practice are suggestions for how regional health authorities/Saskatchewan Cancer Agency can accomplish a variety of goals at a best practice level. A more detailed description of the governance best practices can be found in the Appendix C.

This document is not intended to be a prescribed list for how a board must carry out its tasks. Rather, this section is designed to be a guide of principles to form guidelines and actions. Boards can reference and utilize these guidelines to suit their needs, to help reach goals and to achieve optimal board and organization function.

Goal: The board has policies and processes that serve as a framework for organizational governance.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|--|--|
| 1.0 The board establishes policies and processes that guide the governance and management of the organization. | <ul style="list-style-type: none">1.1 Establish policies to provide guidance to those empowered with the responsibility to manage operations.1.2 Select from alternatives which are consistent with policies and that advance the goals of the organization.1.3 Oversee, monitor, and periodically assess management processes and outcomes.1.4 Review policies and guidelines to determine if in alignment with achieving goals.1.5 Keep current on best practices and apply best practices to support more effective governance within the organization. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: The board has a document outlining the framework for the management and operation of the board.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|--|---|
| 1.0 The board collectively develops a board charter. | <ul style="list-style-type: none">1.1 Establish, on an annual basis, the goals, objectives, and values of the organization.1.2 Define and reach agreement on board structure, function, roles and responsibilities.1.3 Establish procedures for monitoring compliance with the requirements.1.4 Annually review board charter and revise as necessary. |

Goal: The board and its members have clearly defined roles and expectations.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|--|--|
| 1.0 The board has a clear understanding of the board's roles and responsibilities, especially in its function of providing active strategic oversight for the organization. | <ul style="list-style-type: none">1.1 The board agrees upon and publishes a document detailing board roles/responsibilities, and serves as a benchmark during reviews. |
| 2.0 Board members clearly understand their individual roles and responsibilities. Furthermore, members understand how their positions relate to each other and recognize how fulfilling his or her role fits in with the overall guidance of the region. | <ul style="list-style-type: none">2.1 The board agrees upon and publishes a document that details the roles and responsibilities of individual board members, and serves as a benchmark during reviews.2.2 Board members are aware of remedial actions that may be taken if warranted by insufficient performance or inappropriate behaviour. |
| 3.0 The chairperson understands his or her responsibilities and the expectations of the role. | <ul style="list-style-type: none">3.1 The board agrees upon and publishes a position description that details the role and responsibilities of the chairperson, and serves as a benchmark during reviews.3.2 Learning and training opportunities for the chairperson to develop requisite and leadership skills are provided. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

| | |
|--|--|
| <p>4.0 The chairperson and the Ministers of Health communicate regularly to build a working relationship and support two-way accountability.</p> | <p>4.1 The chairperson and Ministers of Health have regular informed dialogued via the Ministers' Forum.</p> <p>4.2 The CEO assists in chairperson communication (as necessary) via the Leadership Council.</p> <p>4.3 The chairperson debriefs members about Ministers' Forum.</p> |
| <p>5.0 The vice-chairperson understands his or her responsibilities and the expectations of the role.</p> | <p>5.1 The board agrees upon and publishes a position description that details the responsibilities of the vice-chairperson, and serves as a benchmark during reviews.</p> <p>5.2 Learning and training opportunities for the vice-chairperson to develop requisite skills and build competencies are provided.</p> <p>5.3 The board chairperson mentors the vice-chairperson.</p> |

Goal: The board effectively communicates information among its members and to others.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|---|--|
| <p>1.0 Board meetings are structured in a manner that effectively allows members the opportunity to discharge their oversight responsibilities.</p> | <p>1.1 Board meetings are held at regular intervals.</p> <p>1.2 Board meetings are held at intervals, times, places, and means which are appropriate for the board.</p> <p>1.3 Various staff and managers attend parts of board and/or committee meetings (as needed) to contribute to relevant discussions.</p> |
| <p>2.0 The board chairperson sets board meeting agendas in consultation with the CEO. Meeting agendas focus on those items that are critical to the board fulfilling its obligations and responsibilities, and if the board can add substantial value to the issue.</p> | <p>2.1 Agendas are structured such as to focus members' attention on the most important issues.</p> <p>2.2 Appropriate time is allotted to each issue to allow for full discussion.</p> <p>2.3 Suggested times for issues are adhered to and are adjusted as appropriate</p> <p>2.4 A standard decision-making tool is developed and utilized so that information is delivered and evaluated on a consistent basis.</p> <p>2.5 Strategic tools (i.e. SWOT analysis) are utilized to assess how agenda items will affect board and organization operations.</p> <p>2.6 Board meeting proceedings are transparent.</p> <p>2.7 The board has the right to defer agenda items if provided information is insufficient.</p> <p>2.8 The board requests for more information from management when needed.</p> |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

| | |
|--|--|
| 3.0 Board members fully participate in board meetings. | 3.1 Each board member receives an information package about the meeting agenda prior to the meeting 3.2 Each board member reads material and is prepared to participate in board discussions. 3.3 Members encourage balanced participation and engage the opinions of all members on matters. 3.4 Members attend regular, committee, and special board meetings punctually. 3.5 Members miss no more than three (3) of regular scheduled meetings of the year and no more than three (3) of the scheduled committee meetings for the year, unless specifically excused by a motion of the board 3.6 When possible, members advise the board chairperson of all regrets no later than three (3) working days prior to the meeting to ensure there are enough members to constitute a quorum. |
| 4.0 Meeting minutes accurately reflect the discussion and actions taken at the meetings as well as provide sufficient direction to management to carry out the board's directions. | 4.1 Meeting minutes summarize discussion highlights and are not verbatim. 4.2 Meeting minutes are written clearly. 4.3 Meeting minutes are made available to the public. |
| 5.0 The board meets regularly without management in attendance to allow members to discuss issues they wish to raise privately. | 5.1 Discussions are held at end of regular board meetings. 5.2 Following meetings, the board chairperson provides the C.E.O. (and other senior managers) with a synopsis of the board's discussions including any board direction. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: The board works with the Minister and the Ministry to bring the proper collective set/mix of skills to the organization.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|---|---|
| 1.0 The board membership encompasses the competencies and skills required by the organization and reflect the community served. | 1.1 The board composition suits the complexity of the organization 1.2 The board is made up of individuals who, collectively, have the required competencies and personal attributes to carry out their responsibilities effectively. 1.3 The board develops a competency matrix that is updated annually and when vacancies arise. The competency matrix is used to identify competency “gaps” on the board and direct the search for new candidates. |
| 2.0 The board has clear policy guidelines for member selection, including generic attributes, specific skills and expertise | 2.1 The board has a committee that develops member selection criteria and identifies and evaluates potential candidates (this committee is often called “Nomination/Governance committee”). If the board has no such committee, the entire board should discharge this responsibility |
| 3.0 The board develops a succession plan so that it is able to nominate potential candidates for the consideration of the Minister/Ministry of Health during the appointment process. | 3.1 The board develops a skills profile of each member. 3.2 A skills matrix is developed that reflects the skills the board needs to address its strategic as well as operational priorities. 3.3 The board has a systematic annual process for analyzing the current skills and expertise within the board. 3.4 The skills matrix and the member’s skills profile are reviewed periodically (especially when there is a vacancy) to ensure that the board has all the skills it needs. 3.5 The board publishes the name, appointment term, and comprehensive biography of each member. |
| 4.0 The board participates in the appointment process through their appointment of a Governance/Nomination Committee. The process should involve open communication and co-operation among the parties involved. During this process the board participates in the informal consultation and communications, as required. | 4.1 The committee follows a nomination/appointment process and helps the board define the criteria for strategically selecting board members, based on experience, organizational needs and community representation. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: The board demonstrates high standards of personal and professional conduct to maintain public confidence in their behaviours or actions.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|---|---|
| 1.0 The board adopts a Code of Conduct and Ethics for their organization. | 1.1 The board publishes its Code of Conduct and Ethics so that it is accessible by members and the community. 1.2 The board regularly reviews its Code of Conduct and Ethics. 1.3 In review, the board discusses situations that have arisen and determines whether the Code dealt with those cases in a satisfactory manner or if amendments are required to the Code of Conduct and Ethics. |
| 2.0 The Code of Conduct is in compliance with <i>The Interpretation Act</i> , <i>The Regional Health Services Act</i> , and <i>The Cancer Agency Act</i> . | 2.1 The board understands the guidelines set out by legislation. 2.2 The Code of Conduct addresses real and perceived conflicts. |
| 3.0 The board is aware of different conflicts of interest; understands how a conflict of interest could raise and how conflicts of interest can be addressed. | 3.1 The board understands what perceived conflicts of interests' are and how they could arise. 3.2 The board discloses a conflict of interests to board members when the conflict occurs so that board members are aware that another member's interests are being affected. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: Board membership is well managed.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|---|---|
| 1.0 The board has a comprehensive orientation for new board members. | 1.1 The board establishes a process by which new members are provided with necessary and current information about the board and his or her roles/responsibilities as a member. |
| 2.0 The board has a culture that encourages new board members to participate fully and effectively in board activities as soon as possible. | 2.1 New board members are matched up with and mentored by existing board members. 2.2 The board uses coaching and communication strategies to build and sustain positive relationships. |
| 3.0 The board provides ongoing educational opportunities for directors to learn about the organization, its sector and its corporate governance practices, and maintains a policy encouraging members to take advantage of these opportunities. | 3.1 The board provides and makes aware of ongoing professional development opportunities either through separate education sessions or as part of regular board meetings. 3.2 Periodic reviews and follow-ups with board chairperson and CEO are conducted to ensure that the education program meets the training needs of the board members and the Ministry's expectations for board member development. 3.3 For optimal learning, board members should actively participate in training sessions. 3.4 Members who attended any education or professional opportunities share findings with the rest of the board. In particular, aspects like how the information will support the board and how it can be applied to better the board operations. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: The board effectively discharges its functions and responsibilities.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|--|--|
| 1.0 The board evaluates the performance of itself, its committees and its members in relation to their respective roles and responsibilities. | <ul style="list-style-type: none">1.1 Committee size may vary but generally, three (3) to six (6) individuals sit on a committee.1.2 Committee membership is comprised of voting board members. Non-voting external members may also sit on the committee if appropriate and necessary.1.3 Committees, from time to time, may seek external advice from management and non-board members.1.4 Each committee has written terms of reference that outline its composition and responsibilities.1.5 Each committee stays informed about emerging best practices in corporate governance relevant to its functions.1.6 Committee activities should be periodically reviewed to ensure that they support the board's overall function. |
| 2.0 The board may from time to time establish such special or ad hoc committees that will assist the board in carrying out specific functions. | <ul style="list-style-type: none">2.1 Each special or ad hoc committee has written terms of reference that outline its composition and responsibilities.2.2 Committee activities are periodically reviewed to ensure that they support the board's overall function.2.3 Ad hoc committees are time-limited; thus, its duration should be limited to the duration of the function for which the committee was established. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: The board evaluates its own performance in relation to its responsibilities and periodically reviews and revises governance structures, processes, and policies as appropriate.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|---|--|
| 1.0 The board evaluates the performance of itself, its committees and its members in relation to their respective roles and responsibilities. | 1.1 The board designs a formal evaluation process with the criteria agreed upon by all parties. 1.2 The board understands the objectives of the review and defines its scope and application. 1.3 The board periodically conducts informal evaluations as appropriate so as to support the formal evaluation. 1.4 The board evaluates their performance and the performance of each of their committees against their respective charters or terms of reference. 1.5 The board annually evaluates the performance of the chairperson against the chairperson's position description. 1.6 The board annually evaluates the performance of the vice-chairperson against the vice-chairperson's position description. 1.7 The board annually evaluates individual member performance against the members' job description and prescribed expectations. 1.8 The board adjusts the evaluation process in order to best address its own issues. 1.9 The board follow-ups with evaluation and make certain that steps are taken where necessary to improve board effectiveness. |

4.0 SUMMARY OF GOVERNANCE BEST PRACTICES

Goal: The board oversees the engagement, hiring, and annual performance evaluation of the chief executive officer. The board also delegates responsibility and related authority for the management and operation of the organization.

| Suggested Best Practices | Suggestions for Achieving Best Practices |
|---|--|
| 1.0 The CEO understands his or responsibilities and expectations of the role. | <ul style="list-style-type: none">1.1 The board composes a job description for the CEO that is agreed upon by all parties and outlines the roles and responsibilities of CEO.1.2 The relationship between the board and the CEO is defined and understood by all.1.3 The board annually sets out specific objectives and performance expectations for the CEO as aligned with the strategic plan.1.4 The CEO is aware of remedial actions that may be taken if warranted by insufficient performance or inappropriate behaviour.1.5 The board is familiar with compensation practices and understand how these are applied to CEO. |
| 2.0 The board periodically conducts a formal performance evaluation of the CEO. | <ul style="list-style-type: none">2.1 The board designs a formal evaluation process with the criteria agreed upon by all parties.2.2 The board assigns one member to lead the complete CEO evaluation process, from the planning stage through its implementation. This may be the chairperson of the board, the chair of the human resources committee, the chair of the Governance/Nominating committee or another designated member.2.3 The CEO is evaluated against the position description, the key objectives, and strategic plus operational plans.2.4 The board periodically conducts informal evaluations as appropriate so as to complement the formal evaluation. |

ADDITIONAL INFORMATION

More information on corporate governance best practices can be accessed through the following links and publications.

Links:

BC Non-Profit Housing Association - Governance Best Practices

www.bcnpha.bc.ca/bestpractices/statement.php?Cat=GOV

Board Source (USA): Building Effective Non-Profit Boards:

www.boardsource.org/default.asp?ID=1

Canadian Coalition for Good Governance:

www.ccgg.ca

Canadian Institute of Chartered Accountants:

www.cica.ca

The Canadian Institute for Health Information:

www.cihi.ca

Canadian Public Accountability Board:

www.cpab-ccrc.ca

Conference Board of Canada - Governance and Corporate Social Responsibility:

www.conferenceboard.ca

Corporate Board Member Magazine:

www.boardmember.com

Directors College (Conference Board of Canada):

www.thedirectorscollege.com

European Corporate Governance Institute:

www.ecgi.org

Institute of Corporate Directors (Canada):

www.icd.ca

Institute of Internal Auditors (USA) – Guidance and Resource Information:
www.theiia.org/index.cfm?doc_id=118

Institute on Governance (Canada):
www.iog.ca

MAP for Non Profits (includes Free Complete Toolkit for Boards):
www.mapnp.org/library/boards/boards.htm

National Association of Corporate Directors (USA):
www.nacdonline.org

Publications:

Governing for Results: A Director's Guide to Good Governance:

www.synergyassociates.ca/governing_for_results.htm

OECD Principles of Corporate Governance:
www.oecd.org/dataoecd/32/18/31557724.pdf

New Zealand Tertiary Education Institution Governance:

http://governance.canberra.edu.au/our_work/publications/monographs/Tertiary_Governance.pdf

Governance Frameworks for Canada's Crown Corporations - Canadian Treasury Board Secretariat, 2005:
www.tbs-sct.gc.ca/report/rev-exa/gfcc-cgse_e.asp

Corporate Governance in Crown Corporations - Canadian Treasury Board Secretariat, 1996:
www.tbs-sct.gc.ca/ccpi-pise/cg/index_e.asp

An Introductory Guide to Their Roles and Responsibilities, Canadian Treasury Board Secretariat, 1993:
www.tbs-sct.gc.ca/ccpi-pise/ig/2_e.asp#role

APPENDIX A

Best Practices in Corporate Governance in Saskatchewan's Health Sector

GOAL: **THE BOARD HAS POLICIES AND PROCESSES THAT SERVE AS THE FRAMEWORK FOR ORGANIZATIONAL GOVERNANCE.**

Background

Governance is a philosophy, an approach, and a process. Governance reflects the personality of an organization. It must be molded to suit the needs of an organization, to fit with its mission, beliefs, and values. It must encompass both internal and external relationships. Fundamental to governance is the clarity it brings to the strategic direction, decision-making responsibilities, and accountability for achieving results.

Governance work has two facets: performing roles and fulfilling responsibilities. Roles are the “how” aspects, the activities a board must perform. Responsibilities are the “what” aspects of governance, the substantive issues to which a board must attend. Together roles and responsibilities define governance.

Boards commonly fulfill the following roles and responsibilities of policy-formulation, decision-making, and active strategic oversight. Rather than being reactive and executing outcomes the board is engaged, forward looking, and guiding outcomes through monitoring.

In short, the board determines the policies and procedures while assuming responsibility for the direction and guidelines of the organization. Having a governance process assists the board in identifying and organizing the work that is needed to fulfill the organization’s mission. The process also enables the board to evaluate progress while assessing the relevant constraints and opportunities in reaching goals. Specific to

RHAs/SCA, the powers of boards are defined by legislation. The regional health authorities have all the powers prescribed in *The Regional Health Services Act* and the regulations and any other applicable legislation. *The Saskatchewan Cancer Agency* derives its powers as prescribed in *The Cancer Agency Act*.

Application

Keeping current on governance best practices relevant to the board’s functions will help the board maintain high levels of performance. In turn, this will help to ensure favourable operation of the organization. The board should promote a culture that encourages taking advantage of opportunities to learn about new governance best practices and working together to incorporate these best practices into their structure.

In fulfilling its primary roles and responsibilities, the board should set and review policies and guidelines that are appropriate to the organization’s emerging issues. Policies that help govern the organization should align with the organization’s vision, goals, and direction. Furthermore, programs and services should be regularly reviewed to see if they are connected to the specific desired outcomes of the board and of the organization. Decisions and adjustments to organizational policy may be necessary to help reach the end goals.

Suggested Best Practice:

The board establishes policies and processes that guide the governance and management of the organization.

GOAL:

THE BOARD HAS A DOCUMENT OUTLINING THE FRAMEWORK FOR THE MANAGEMENT AND OPERATION OF THE BOARD.

Background

Over the years boards have developed comprehensive board policy manuals that attempt to define its governance model as well as address a number of organizational and operational issues. By their very nature, these manuals are not conducive to the board's and the public's understanding of "what is the board's job?" and "how does the board do its job?"

In the public sector, the term "charter" is defined as a governance document outlining roles and responsibilities, functions, and structure of a corporate body or organization. A charter is a strategic tool that the board can use to actively assess governance performance and monitor management processes and outcomes.

The Benefits of Developing a Board Charter

A board charter helps to define the organization's direction and to set operational goals that can be followed. The development of a board charter can be an important activity for a board in that it provides an opportunity for the board to think creatively and critically about their specific roles and responsibilities. More so, given that a board charter is developed and adopted by the board as a whole, it provides an opportunity for members to gain a clear understanding of their individual and collective jobs. Additionally, the process assists members in understanding how their role fits in helping the organization fulfills its purpose.

Both in the initial development of a board charter and in subsequent reviews, the process

affords boards the opportunity to review and discuss their knowledge and understanding of the policy and legislative framework that impacts the governance of the organization. It also provides an opportunity for members to review and assess best practices and how applying these practices can support more effective governance within the organization.

In addition to providing clarification for the board, a charter makes board functions and operations transparent to the public. The charter also makes clear the organization's purpose and values. Furthermore, the charter can be used as the foundation for both the board and public's assessment of the organization's performance in fulfilling its roles and responsibilities.

Application

A board charter succinctly defines the board's roles and responsibilities as well as functions and structures in a way that supports the board in carrying out its strategic oversight function.

Suggested Best Practice:

The board collectively develops a board charter.

It is a synopsis, written in plain language, that details aspects like board purpose, structure and composition, and specific duties and responsibilities. The charter also details the governance processes used to fulfill the roles and responsibilities. Given that boards for other purposes have already developed many of the elements of a board charter, the board can fairly easily develop its charter based on existing policies or policy manual and/or policy processes.

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

Background

Optimal delivery of effective governance by the board depends upon all members understanding both individual and board responsibilities. A lack of clarity about the members involved, their responsibilities and their relationships to each other will impede the effectiveness of a corporate governance system. Therefore, it is important that there is awareness, agreement and acceptance of defined duties.

In addition to executing the roles and responsibilities of the board as a whole, individual members are expected to act in the best interests of the organization and owe a fiduciary duty as well as a duty of care to the organization. Collectively, all members need to adhere to a high standard of performance.

Suggested Best Practice:

The board has a clear understanding of the board's roles and responsibilities, especially in its function of providing active strategic oversight for the organization.

Application

Defining Roles and Responsibilities of the Board

The board assumes its roles and responsibilities within the context of a governance policy framework of decision-making and accountability and the powers of regional

health authority as prescribed in *The Regional Health Services Act*. (More information on the expectations of RHAs as well as of the Minister of Health) can be found in Appendix D). In the case of the Saskatchewan Cancer Agency, its roles, responsibilities and powers are prescribed in *The Cancer Agency Act*.

Boards have the following responsibilities:

- establish policies and procedures which will provide the framework for the management and operation of the board;
- establish and review on a regular basis the mission, objectives, values, and strategic plan of the board in relation to the provision, within available resources, of appropriate programs and services in order to meet the needs of the residents in the health region;
- establish, on an annual basis, organization goals, objectives and values to ensure the effective and efficient governance of the organization;
- establish procedures for monitoring compliance with the requirements of *The Regional Health Services Act (The Cancer Agency Act)*, and other applicable legislation;
- establish the selection process for the engagement of a chief executive officer and to hire the chief executive officer in accordance with the process;
- annually conduct the chief executive officer's formal performance evaluation, review and approve his or her compensation and set his or her goals and objectives for the coming year;
- delegate responsibility and related authority to the chief executive officer for the management and operation of the organization and require accountability to the board;

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

- ensure that the chief executive officer of the organization establishes an appropriate succession plan for both management and practitioner staff members;
- at any time to revoke or suspend the appointment of the chief executive officer;
- appoint and reappoint physicians, dentists, and chiropractors and delineate the respective privileges after considering the recommendations of the Practitioner Advisory Committee, the board's resources and whether there is a need for such services in the community;
- ensure mechanisms and policies are in place to provide a high quality of care for patients in the health region;
- ensure that quality assurance, risk management, and utilization review methods are established for the regular evaluation of the quality of care of patients in the health region, and that all regularly evaluated in relation to generally accepted standards and require accountability on a regular basis;
- approve the annual budget for the board;
- evaluate its own performance in relation to its responsibilities and periodically review and revise governance policies, processes and structures as appropriate; and
- work collaboratively with other community agencies and institutions in meeting the health care needs of the residents in the health region.
- RHA/SCA boards also have a duty to build and maintain relationships with a great number of partners and organizations in the Saskatchewan health system including: Legislative Assembly, Provincial Auditor, Saskatchewan Health, other Government Ministries, Federal Government, Saskatchewan People (Public, Communities), First Nations and Metis, Health Professionals, Patients, Suppliers, Health Quality Council, Affiliates, Health Foundations, Labour Unions, SAHO and other RHAs and AHA.

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

Defining Role and Responsibilities of Board Members

Board members should exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Individual members execute their responsibilities set out in the Board Charter.

Suggested Best Practice:

Board members clearly understand their individual roles and responsibilities.

Furthermore, members understand how their positions relate to each other and recognize how fulfilling his or her role fits in with the overall guidance of the region.

Specifically, members should be:

- diligent;
- adhere to the board's mission, vision and values;
- develop broad knowledge about the roles and responsibilities of members;
- work positively, co-operatively and respectfully as a member of the team with other members and with the management and staff;
- respect and abide by board decisions;
- read all of the material for discussion in advance and participate actively and effectively at board and committee meetings;

- keep informed about matters relating to the organization, the community served, and other health care services provided in the health region;
- participate in the initial orientation as a new member and in ongoing board education;
- participate in the evaluation of the board, chairperson, chief executive officer, and individual members as required;
- be in compliance with all applicable legislation/regulations and the board's Code of Conduct and Ethics;
- avoid real and perceived conflicts of interest;
- maintain appropriate confidentiality with respect to organizational matters; and
- disclose to the board any information the member might obtain that could be considered material to the board's business or operations.

These expectations should be reviewed with candidates prior to their appointment as members so they understand the expectations attached to the position. Candidates also should be informed that persons appointed to the board must be prepared to engage fully in board activities.

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

Role and Responsibilities of the Chairperson

The chairperson is appointed in accordance with *The Regional Health Services Act* (or *The Cancer Agency Act*) and regulations. The chairperson of the board plays a significant role in board functions and relationships.

In general, the chairperson assumes the following responsibilities:

- recommend the chairperson and membership of individual committees, and work with committee chairpersons to coordinate committee work plans and meeting schedules;

Suggested Best Practice:

The chairperson understands his or her responsibilities and expectations of the role.

- where appropriate, attend board committee meetings;
- set board meeting schedules, work plans and agendas in consultation with the CEO and the board secretary;
- assist management, board, and board commitments in understanding the roles and responsibilities of the board and roles and responsibilities of management;
- approve nature and length of presentations to be made at board meeting;
- at meetings:
 - o chair meetings of the board, ensuring that its processes are effective and providing leadership in board and member development;
 - o monitor meeting attendance;

- o manage discussions appropriately;
- o facilitate divergent points of view and work towards consensus;
- o suggest ending discussion on a topic at the meeting;
- o call for votes to confirm consensus decisions or to decide issues.
- foster the development of and support a board culture characterized by:
 - o active and constructive board engagement;
 - o acceptance of collective and individual responsibilities and accountability for actions;
 - o genuine commitment to practicing good governance;
 - o demonstrated commitment to transparency;
 - o willingness to work together as a team;
 - o timely and accurate disclosure of information to members; and
 - o acceptance by all of each other's right to hold and express a difference of opinions.
- ensure that processes are in place to monitor the evolution of legislation and practices that change the duties and responsibilities of members of the board;
- counsel board members, ensuring full utilization of individual capacities and optimum performance of the board and each of its committees;
- manage conflicts of interest should they arise;
- work with management by:
 - o Building an open working relationship between CEO/senior management and the board;

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

- o Ensuring that communications with management support the early identification of policy and organizational issues that should be addressed by the board; and
- o Representing the stakeholders and the board to management.
- are responsible for regular board, chairperson, committee and member evaluations (sharing responsibility with the governance committee if the board has such a committee);
- report regularly to the board issues that are relevant to its governance responsibilities;
- communicate persuasively with colleagues, management, the Ministry of Health and the public;
- build and maintain a sound working relationship with the Minister of Health and other government representatives; and
- serve as the board's spokesperson (or designate).

The current practice is that the chairperson of the board undertakes the commitment of spokesperson on the board's behalf. Furthermore, the chairperson plays a role as the main liaison between the board and the Ministers/Ministry of Health.

Suggested Best Practice:

The chairperson and the Minister of Health communicate regularly to build a working relationship and support two-way accountability.

Since the board plays an important role in our health system's accountability continuum, regular and informed dialogue between the board and the Minister of Health is very important. Regular communication supports two-way accountability, builds a positive working relationship and is fundamental to the proper discharge of the board's responsibilities. The CEO should assist the chairperson's work in this area and should participate in related discussions as appropriate.

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

Role and Responsibilities of the Vice-Chairperson

The vice-chairperson is appointed in accordance with *The Regional Health Services Act* (or *The Cancer Agency Act*) and the regulations. The vice-chairperson shall have all the powers and perform all the duties of the chairperson in the absence or disability of the chairperson, together with such other duties as are usually incidental to such a position or as may be assigned by the board from time to time.

Suggested Best Practice:

The vice-chairperson understands his or her responsibilities and the expectations of the role.

GOAL: **THE BOARD EFFECTIVELY COMMUNICATES INFORMATION AMONG ITS MEMBERS AND TO OTHERS.**

Background

Meetings of the board pursuant to *The Regional Health Services Act* and *The Cancer Agency Act* and the bylaws must be held in public. Meeting notices for the public must be published throughout the health region and Saskatchewan respectively one week prior to the meeting.

As with other applications, the board should conduct board meetings with transparency. That is, the board proceedings, decision-making tools and analysis should be clear and open for others to see and understand.

Application

Board Meetings

Regular board meetings are necessary to facilitate good governance. Board meetings provide an opportunity for board members to get together to conduct their business and discuss issues affecting the organization. These meetings should be held at such intervals, times, places and means as necessary for the board to conduct its business.

The number of board meetings held during the year may vary between organizations but board meeting frequency should be regular.

Furthermore, to help fulfil its function of setting the strategic direction for the organization, the board should allocate one board meeting a year to strategy. At this meeting there would be no other items on the meeting agenda and the purpose of the meeting would be to look at the present and future overall direction of the organization.

Suggested Best Practice:

Board meetings are structured in a manner that effectively allows members the opportunity to discharge their oversight responsibilities.

Each board is different and it is recommended that these guidelines be adapted to suit the needs of the board. For example, boards may wish to hold fewer meetings per year (i.e. 8 versus 12 meetings annually) if they feel this would help facilitate a greater concentration on macro issues relating to strategy. One advantage to holding fewer meetings is that the longer duration would allow committees to make more progress before reporting to the board. Likewise, the longer duration between meetings would also enable more time to prepare for the meeting.

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

Meeting Operations

Rather than focusing solely on everyday operational issues, board meetings should be held in the context of how the issues apply and affect the board's overall strategic planning and organizational goals. Optimally, meetings should be conducted with an agenda that is structured in such a manner to effectively and efficiently deploy the board's time and focus the members' attention on the most important issues.

Generally, the chairperson works with management to determine the agenda items for the meeting. Additionally, agenda items come from the following sources:

- forwarded by the medical staff;
- based on the board's annual objectives; and/or
- as a result of board committee work.

In considering potential agenda items for a regular board meeting, it is essential to question whether the board should be dealing with a particular issue. The board should address only those items that are critical to fulfilling the board's functions and if the board can add

substantial value to the issue. Furthermore, issues dealt at the committee level do not need to resurface at the board level unless the topic warrants discussion with all board members.

Suggested Best Practice:

The board chairperson sets board meeting agendas in consultation with the CEO. Meeting agendas focus on those items that are critical to the board fulfilling its obligations and responsibilities, and if the board can add substantial value to the issue.

To maximize the board's time, each agenda item should be assigned a specific time allotment. It pays to overestimate the time required to address an issue, as this will create fewer problems than underestimating. Assigned times should be adhered to, and should an item require additional time, the chairperson should make an on-the-spot decision on which items will receive less time or which items will be tabled.

GOAL: THE BOARD AND ITS MEMBERS HAVE CLEARLY DEFINED ROLES AND EXPECTATIONS.

Information Presentation and Assessment

Prior to a meeting, an information package should be sent to board members to allow members to familiarize themselves with agenda items. This will ensure that valuable meeting time is used for discussion and decision-making.

Suggested Best Practice:

Meeting minutes accurately reflect the discussion and actions taken at the meetings as well as provide sufficient direction to management to carry out the board's direction.

The board is responsible for determining the flow of information and the sharing of information with others. It is extremely important that the minutes of a board meeting reflect an accurate recording of the discussion and actions taken at the meeting. Having clear decision-making processes and meeting minutes will contribute to the transparency of the board and organization. (Transparency refers to the extent, which the actions and processes are disclosed and open for others to see). Having transparency within an organization allows for others outside of the organization to see what is really occurring on the inside. Ultimately, this action fosters the development of trust between the organization and its stakeholders.

In reflecting upon information presented at the meeting, the board should understand the assumptions of others and the context within which the information is presented. In the assessment of information it is useful for the board to have a decision-making tool that outlines how information is presented, discussed and utilized.

There are several benefits to having a decision-making tool. First, the tool will create a standard against which information is presented consistently and issues are assessed in a fair manner. Second, stakeholders will also have a clear idea of the process for which information was discussed and decided upon. Third, by using strategic tools like a SWOT analysis, the board will be able to better assess how agenda items impact the board and the organization

It is important to note that actions of the board are not effective unless they are authorized or adopted by resolution or bylaw at a duly constituted meeting of the board. Along with this, any action of a board committee is not effective unless it is authorized or adopted by a resolution at a properly constituted meeting of the board or board committee. No meeting can be held and no act of council is valid unless it has been adopted at the meeting of the board where a quorum is present. A quorum is the majority of the members of the board, not counting vacancies.

GOAL: THE BOARD EFFECTIVELY COMMUNICATES INFORMATION AMONG ITS MEMBERS AND TO OTHERS.

Member Participation at Meetings

For meetings to be effectively, board members should be able to contribute to the discussions. Board members can achieve this by:

- taking adequate time to review the information provided and prepare for meetings in order to facilitate sound deliberations and decision-making;
- participating actively at the meetings putting their thoughts and concerns on the table for healthy debate and open discussion;
- encouraging balanced participation amongst members and engage the opinions of all members on matters;
- attending regular, committee and special board meetings punctually;
- missing no more than three (3) of regular scheduled meetings of the year and no more than three (3) of the scheduled committee meetings for the year, unless specifically excused by a motion of the board; and
- notifying the chairperson of the board or of the committees of all regrets no later than three (3) working days prior to the meeting to ensure there are enough members to constitute a quorum.

Suggested Best Practice:

Board members participate fully in board meetings.

During discussions, board members should try to use dialogue rather than debate. There are differences between the two. For example, debates involve the presentation and defending of different views. There is no exploration for assumptions and the end goal is a declaration of the right answer. In contrast, a dialogue is an exploration of issues and comprehension of assumptions. The advantages to having a dialogue include: team learning, development of trust, and cultivation of alignment within the organization. Having an open attitude and asking questions contributes to effective dialogue:

- why (this way)?
- Is there a better way?
- what are the alternatives that were considered and dismissed?
- what do you like most/least about it?
- what would you change if you could?
- why are you/we doing this?
- what do you think/recommend?
- what are the risks?
- what should we stop doing?
- how might we...?
- what is stopping us?⁴

By asking questions, individuals attempt to gain more information so as to understand the issue. In turn, this allows the board to make a more informed decision. The board should note that they have a right to ask for more information from others if they feel insufficient information was provided or if further questions need to be answered.

⁴ Bart, Dr. C. The Directors College. *Communicating more effectively through “dialogue”: a new way of interacting.*

GOAL: THE BOARD EFFECTIVELY COMMUNICATES INFORMATION AMONG ITS MEMBERS AND TO OTHERS.

Special Board Meetings

At times, an issue will arise that will require the attention of the board prior to the next regularly scheduled meeting. If this occurs, the chairperson will call for a special meeting of the board and the board secretary will, upon direction from the chairperson, convene the meeting.

Special meetings of the board will be conducted in accordance with the board's general bylaws.

Questions of other procedures at both regular and special meetings of the board should be determined in accordance with the rules of order established by the board from time to time.

GOAL: THE BOARD EFFECTIVELY COMMUNICATES INFORMATION AMONG ITS MEMBERS AND TO OTHERS.

In-Camera Meetings of the Regional Health Authority

Pursuant to *The Regional Health Services Act*, the board may hold a meeting or part of a meeting in private, if in the opinion of the board, holding a meeting or part of the meeting would reveal information relating to:

- proposals for contracts or negotiations or decisions with respect to contracts; or
- plans or proposals of the board involving future budgetary decisions;
- reveal information relating to risk management issues or patient care issues;
- reveal information relating to collective bargaining or human resource management issues;

- prejudice any security measures undertaken by the board; or
- fall within the scope of any other prescribed circumstances.

Members should remember that even though these meetings are held in private, a level of discretion should be utilized and maintained.

There is always the potential that the discussion could leave the room; thus, member conduct at these meetings should not be any different from that of a meeting open to the public.

In other words, in-camera meetings are not an opportunity to depart from good meeting behaviour.

GOAL: THE BOARD EFFECTIVELY COMMUNICATES INFORMATION AMONG ITS MEMBERS AND TO OTHERS.

Board Meetings without Management Present

It is now a commonly accepted practice for members of a board to meet regularly without the chief executive officer or other management representatives in attendance. This type of meeting is customarily held at the end of a regular board meeting and allows board members to explore freely any issues they wish to raise privately. At the end of every such meeting, the chairperson should give the CEO/management feedback on the contents and results of the discussion.

Suggested Best Practice:

The board meets regularly without management in attendance to allow members to discuss issues they wish to raise privately.

GOAL:

THE BOARD WORKS WITH THE MINISTER AND THE MINISTRY TO BRING THE PROPER COLLECTIVE SET/MIX OF SKILLS TO THE ORGANIZATION.

Background

A board's effectiveness depends largely its members. A board should be comprised of dedicated individuals who are motivated to play an active role, and who have the necessary competencies to carry out their responsibilities.

Having competent people on the board means putting together a group of individuals who have the appropriate combination of competencies (skills and experience) and personal attributes (behaviour and attitude) to support the board's mission and contribute to working together as a highly motivated team.

Currently, boards consist of members who have been appointed in accordance with the government representation criteria (see below). Competencies as related to the needs of particular boards should also be considered.

Typically, nominees/appointees to boards are individuals who are independent of management and have no material interest in the organization. In the case of Saskatchewan's regional health authorities and the Saskatchewan Cancer Agency boards, the regulations established under *The Regional Health Services Act* and *The Cancer Agency Act* contain provisions that specify individuals who have obvious conflicts of interest and are ineligible for appointment.

Application

Board member Attributes, Skills and Core Competencies

It is recommended that the generic attributes of board members align with the individual member's roles and duties. Based on the review of corporate governance best practices, members should have the following generic attributes regardless of their mix/set of skills and background:

Suggested Best Practice:

The board membership encompasses the competencies and skills required by the organization and reflect the community served.

- possess knowledge and expertise to fulfill an appropriate role given the mix of backgrounds and skills that the board and the Governance/Nominating Committee (if the committee exists) have decided are appropriate;
- exercise diligence, including attending board and committee meetings and coming prepared to provide thoughtful input at the meetings and during communications between meetings;
- have proven integrity, high ethical character, and reputations consistent with the board's image;
- be independent in their judgment and committed to the board's long-term interests;
- absence of conflict of interest which would impede the member's participation in the work of the board; and
- be prepared to participate in ongoing education and professional development.

GOAL: THE BOARD WORKS WITH THE MINISTER AND THE MINISTRY TO BRING THE PROPER COLLECTIVE SET/MIX OF SKILLS TO THE ORGANIZATION.

Listed below are core competencies of a board as a whole. These core competencies constitute a mix/set of skills that a board requires its members to possess collectively. As well, this mix/set of competencies (which is often referred to as “competency matrix”) need to be cited in a skills profile for board membership as a whole. Ideally an individual possesses at least one of these core competencies to be considered for appointment as a member to the board. These skills can be developed through board member training and professional development:

- financial literacy;
- senior management experience;
- professional designation;
- technical or specialized knowledge;
- demonstrated leadership and team skills;
- community/business profile;
- previous public sector board experience; and
- ability to understand public policy mandates and Saskatchewan Health objectives.

To create a full functioning board, it is suggested that these core competencies be considered in making board member appointments.

Finding Balance: Board Composition

Since RHA and the SCA boards came into being, the members have been appointed through the representation approach (that led to citizen boards). The provincial government is committed to board diversity and to achieving its goals of gender parity, fair regional representation, and equitable aboriginal, youth, and visible minority representation of members on the boards.

Recently, many experts in corporate governance agree that effective governance of a board depends on its members who have the appropriate combination of competencies (skills and experience) and personal attributes (behaviour and attitude) to support the organization’s mission and work together as a highly motivated team. The particular competencies required for board members will vary depending on specific challenges a board is facing and the skills needed to complement the governance team. The requisite skills and experience will change over time as the organization evolves to face changes in its operating environment. Thus, board member appointment and the composition of the board should be tailored to meet the needs of the board and its stage of development.

Suggested Best Practice:

The board has clear policy guidelines for member selection, including generic attributes, specific skills and expertise.

To ensure that boards have the capabilities necessary to effectively and efficiently carry out their roles, it is recommended that the board members be appointed on competency-basis in conjunction with the government policy agenda (i.e., board diversity). In other words, a balance exists between the representation-based approach and the competency-based approach.

GOAL: THE BOARD WORKS WITH THE MINISTER AND THE MINISTRY TO BRING THE PROPER COLLECTIVE SET/MIX OF SKILLS TO THE ORGANIZATION.

Nomination/Appointment Process for Board Members

Most provincial governments across Canada assume the ultimate responsibility to appoint board members/directors in the health sector. However, the appointment decision is often made after consultation with the organization – the organization should be satisfied that the appointee has the skills and knowledge necessary to enhance the effectiveness of the board and will be a good fit with the board culture.

Best practices emphasize the importance of open communication and co-operation among all parties. Therefore, during recruitment, communication and co-operation among the board, the Minister and the Ministry of Health, applicants, successful candidates and interested stakeholders should exist.

The common practice is that all candidates whose names are being put forward and recommended for appointment to a health sector organization must complete a Candidate Profile and Declaration. The Profile is normally completed by candidates who are recommended for consideration based on certain kinds of criteria.

Essentially, the Candidate Profile and Declaration includes information about a candidate's background, disclosure of any potential conflicts of interest, a declaration acknowledging general responsibilities to the organization, questions about personal integrity and public accountability and a list of personal references.

In Saskatchewan, board members are appointed through an Order in Council upon recommendation of the Minister of Health.

Suggested Best Practice:

The board participates in the appointment process through their appointment of a Governance/Nomination Committee. The process should involve open communication and cooperation among parties involved. Throughout this process the board participates in informal consultation and communications, as required.

GOAL: THE BOARD WORKS WITH THE MINISTER AND THE MINISTRY TO BRING THE PROPER COLLECTIVE SET/MIX OF SKILLS TO THE ORGANIZATION.

Filling a Vacancy

The major steps to be followed in filling a vacancy are set out below:

- identify the need for an appointment;
- confirm board composition criteria and vacancy skills profile through needs assessment and review of competency matrix;
- identify candidates;
- conduct consultation and review; and
- make final selection/appointment decision.

The process to identify candidates should be proactive and appropriate to the needs and circumstances of the board. There are a variety of ways in which suitable candidates can be identified ranging from formal to informal.

Suggested Best Practice:

The board develops a succession plan so that it is able to nominate potential candidates for the consideration of the Minister/Ministry of Health during the appointment process.

Potential candidates may be identified from the following sources:

- the board's Governance/Nominating Committee, if there is such a committee;
- directed invitation to apply;
- the Minister of Health, or other elected representatives;

- the Ministry of Health;
- self-referral;
- advertising;
- stakeholders; or
- interested parties.

If advertising is used to fill vacant positions, advertisements may be placed in different venues, such as:

- certain websites;
- community newspapers – if there is a particular need for local or regional representation;
- newsletters of professional groups (i.e., accountants, engineers) or other organizations if particular skills are required; and
- local radio stations/talk shows – to generate broad interest in the board.

The Governance/Nomination Committee of the board may assist the nomination/appointment process to:

- develop a member selection criteria for board membership as a whole and for specific vacancies;
- recommend a recruitment and evaluation process to be used to fill vacancies;
- identify/recommend candidates to the Ministry of Health for appointment or re-appointment; and
- develop a plan and a process to recommend to the Ministry of Health the orderly long-term renewal of board membership.

GOAL: THE BOARD WORKS WITH THE MINISTER AND THE MINISTRY TO BRING THE PROPER COLLECTIVE SET/MIX OF SKILLS TO THE ORGANIZATION.

In terms of reappointment, members' eligibility for reappointment should be reviewed against the following criteria (see also the section on *Evaluation of Individual Members*):

- an evaluation of the performance and contribution of the individual member, including consideration of the member's attendance at, preparation for and participation in board and committee meetings (there should be an attendance policy in place that can be used as a basis for evaluation);
- the member's attendance at professional development opportunities;
- the match between a member's background, skills and experience and the needs assessment and skills profile prepared by the board; and
- any unique expertise, contacts or experience that a member brings to the board.

GOAL:

THE BOARD DEMONSTRATES HIGH STANDARDS OF PERSONAL AND PROFESSIONAL CONDUCT TO MAINTAIN PUBLIC CONFIDENCE IN THEIR BEHAVIOURS OR ACTIONS.

Background

Primarily, a board acts as a steward in its overseeing of organization functions. Thus, a board must act in the best interest of the organization and the public, which it serves. To guide the board in its stewardship and oversight responsibilities, the board should follow a Code of Conduct and Ethics. In addition to guiding the board, the code indirectly provides guidance to staff on how to conduct itself and make decisions.

Application

Code of Conduct and Ethics

In Saskatchewan, corporation board members have legal obligations as set out in *The Interpretation Act, 1995*. They are seen as fiduciaries to the corporation and thus, are expected to demonstrate high standards of personal and professional conduct to maintain public confidence in their behaviours or actions. These standards include the need to avoid conflicts of interest.

Suggested Best Practice:

The board adopts a Code of Conduct and Ethics for their organization.

Regional Health Authorities and the Saskatchewan Cancer Agency are corporations established under *The Regional Health Services Act* and *The Cancer Agency Act*, respectively. A general responsibility of board members is to act in the best interest of their organization. To discharge this general responsibility, it is suggested that boards have in place a Code of Conduct and Ethics for all the members to follow.

Suggested Best Practice:

The Code of Conduct is in compliance with The Interpretation Act, The Regional Health Services Act and The Cancer Agency Act.

For the purpose of this guide, the term “Code of Conduct and Ethics” is used in a broad sense that addresses the following issues:

- standards of behaviour, including fiduciary responsibilities and duty of care;
- conflict of interest, including both material interest and representation group interest;
- the obligation to report to the board any breach of the Code of Conduct and Ethics, or any illegal or unethical behaviour;
- the protection and proper use of the board’s assets and opportunities;
- confidentiality of information obtained through the member’s role; and
- compliance with legislation and regulations.

GOAL: THE BOARD DEMONSTRATES HIGH STANDARDS OF PERSONAL AND PROFESSIONAL CONDUCT TO MAINTAIN PUBLIC CONFIDENCE IN THEIR BEHAVIOURS OR ACTIONS.

Fiduciary Responsibilities and Duty of Care

Best practices in board members' code of conduct and actual experiences of boards indicate that a board members' standard behaviour includes abiding by their fiduciary duties. A fiduciary duty means that board members owe a duty of care and a duty of loyalty to the organization. A duty of care to the organization requires members to exercise the care, diligence and skill that a reasonably prudent person with similar background and experience would exercise under similar circumstances.

Board members are required to act honestly and in good faith in the manner of which is in the best interest of the organization. Members are bound by their fiduciary duty to maintain the confidentiality of information received by them in their capacity as members. Information that is confidential, proprietary to the organization must not be divulged to anyone other than persons who are authorized to receive this

information. In alignment with best practices, members are also responsible for ensuring that systems are in place which provide members with the information they need to make informed decisions, and that board decisions are sound and made pursuant to proper procedures.

Board members are expected to uphold their fiduciary responsibilities. The following are suggestions for how to uphold this duty:

- keep confidential information confidential;
- ask yourself if you personally have any conflict with any items which may interfere with your duties as a member;
- never use information acquired during your interactions with the board for any purpose outside of the organization; and
- while on the board, favour interests of the organization over the interests of yourself and others.

GOAL: THE BOARD DEMONSTRATES HIGH STANDARDS OF PERSONAL AND PROFESSIONAL CONDUCT TO MAINTAIN PUBLIC CONFIDENCE IN THEIR BEHAVIOURS OR ACTIONS.

Conflicts of Interest

For the purpose of this guide, the term “conflict of interest” includes both material interests and representation group interests. The regulations under The Interpretation Act govern material conflicts of interest and the disqualification of members. A conflict of material interests usually exists for members who use their positions on the board to benefit themselves, their related persons (such as families or relatives) or their friends. A conflict of representation group interests often exists when members act for their representation or interest group even though such action conflicts with the duties to the board as a whole.

The Regional Health Services Act and The Cancer Agency Act provide that no members shall directly or indirectly receive any profit or personal financial benefit from the position of member other than the remuneration and reimbursement for expenses as authorized pursuant to the Act.

Personal conflicts of interest can arise and should be avoided. In a personal conflict of interest, personal considerations could compromise the member’s decision-making ability or judgement in the best interest of the organization. For example, competing personal and/or professional interests could result in the member advocating or promoting their private or professional interests, which ultimately interferes with his or her fulfilling their board duties. A collision of personal and community interests could lead to the disclosure of private information and also impact a member’s decision-making ability.

Suggested Best Practice:

The board is aware of different conflicts of interest and understands how a conflict of interest could arise.

Even if no actual conflict of interest exists, board members need to be aware of the perception of such a conflict. The suggestion of any conflict of interest could generate an appearance of interfering with the board’s ability to making judgements in the best interest of the organization.

The benefits of avoiding the perception of having a conflict of interest include:

- develops an increased level of trust in the board and the organization;
- demonstrates to others that accountability within the organization exists; and
- reassures the community that the board and the organization are ethical and are working in the best interest of the community.

There are several situations that could give rise to a conflict of interest. The following are examples of the type of conduct and situations that can lead to a conflict of interest:

- influencing the board to lease equipment from a business owned by the member’s family members;
- influencing the board to allocate funds to an affiliate or hospital where the member’s family member or relative works or is involved;

GOAL: THE BOARD DEMONSTRATES HIGH STANDARDS OF PERSONAL AND PROFESSIONAL CONDUCT TO MAINTAIN PUBLIC CONFIDENCE IN THEIR BEHAVIOURS OR ACTIONS.

- influencing the board to make all its travel arrangements through a travel agency owned by a family member or relative of the member;
- Influencing or participating in a decision of the board that will directly or indirectly result in the member's own financial gain.
- although members may be appointed to the board as a representative of an interest group or region, they should hold the same duties to the board even when those duties conflict with the wishes of the interest group or region.

The common elements that could help to avoid a conflict of interest are as follows:

- members act in accordance with *The Interpretation Act, 1995* and avoid any conflict of material interest, or the appearance of a conflict, by placing the interests of the organization ahead of their own personal interests, or the interests of their associates (as defined in *The Interpretation Act, 1995*) and/or related persons; and

In addition to these common elements, the ethical guidelines discussed below will prevent members from getting into a conflict of interest.

GOAL: THE BOARD DEMONSTRATES HIGH STANDARDS OF PERSONAL AND PROFESSIONAL CONDUCT TO MAINTAIN PUBLIC CONFIDENCE IN THEIR BEHAVIOURS OR ACTIONS.

Ethical Guidelines

In fulfilling their duties and obligations, board members should adhere to the following guidelines:

- members should act at all times in full compliance with all applicable legislation and regulations;
- a member should not use his/her position on the board to pursue or advance the member's personal interests, the interests of his/her family member or relatives, the member's associate, corporation/organization, union or partnership, or the interests of a person to whom the member owes an obligation;
- a member should not directly or indirectly benefit from a transaction with the board over which a member can influence decisions made by the board;
- every member should avoid any situation in which there is, or may appear to be, potential conflict which could interfere with the member's judgment in making decisions in the best interest of the board;
- after members cease to serve on a board, they must refrain from taking improper advantage of their previous membership; and
- every board should have a policy governing the circumstances in which a member is authorized to speak publicly, where such public comment could be perceived as an official act or representation of the board.
- after members cease to serve on a board, they must refrain from taking improper advantage of their previous membership; and
- every board should have a policy governing the circumstances in which a member is authorized to speak publicly, where such public comment could be perceived as an official act or representation of the board.

Unless the policy states otherwise, the board chairperson should act as the spokesperson for the board. Members should not speak publicly where their comments are likely to bring the board into disrepute or adversely affect its services/programs/activities.

GOAL: THE BOARD DEMONSTRATES HIGH STANDARDS OF PERSONAL AND PROFESSIONAL CONDUCT TO MAINTAIN PUBLIC CONFIDENCE IN THEIR BEHAVIOURS OR ACTIONS.

Disclosure

Full disclosure enables members to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty can arise. With respect to disclosure, the following principles should be followed:

- a member should, immediately upon becoming aware of a potential conflict of interest situation, disclose the conflict (preferably in writing) to the chairperson; (This requirement exists even if the member does not become aware of the conflict until after a transaction is complete.)
- if a member is in doubt whether a situation involves a conflict, the member should immediately seek the advice of the chairperson;
- if appropriate, the board may wish to seek advice from their legal counsel;
- unless a member is otherwise directed, a member should immediately take steps to resolve the conflict or remove the suspicion that it exists;
- if a member is concerned that another member is in a conflict of interest situation, the member should immediately bring his or her concern to the other member's attention and request that the conflict be declared. If the other member refuses to declare the conflict, the member should immediately bring his or her concern to the attention of the chairperson. If there is a concern with the chairperson, the issue should be referred to the Governance/Nomination Committee or equivalent committee that deals with governance issues;
- a member should disclose the nature and extent of any conflict at the first meeting of the board after which the facts leading to the conflict have come to that member's attention. After disclosing the conflict, the member:
 - should not take part in the discussion of the matter or vote on any questions in respect of the matter (although the member may be counted in the quorum present at the meeting);
 - if the meeting is open to the public, the member may remain in the room, but should not take part in that portion of the meeting during which the matter giving rise to the conflict is under discussion, and should leave the room prior to any vote on the matter giving rise to the conflict;
 - should, if the meeting is not open to the public, immediately leave the meeting and not return until all discussion and voting with respect to the matter giving rise to the conflict is completed; and
 - should not attempt, in any way or at any time, to influence the discussion or the voting of the board on any question relating to the matter giving rise to the conflict.

GOAL: BOARD MEMBERSHIP IS WELL MANAGED.

Background

Board development contains two components: orientation and education. Orientation refers to a process by which new members are provided with necessary information about the board and their roles/responsibilities as members. Education, or professional development, is an ongoing process improving the wide range of skills required by all members, regardless of tenure.

In general, the board should be continually learning and growing. Current practice of some boards in Saskatchewan is that orientation and education for members are provided at two levels: the local board level and the provincial level.

Application

Professional Development at the Local Level

Suggested Best Practice:

The board has a comprehensive orientation for new board members.

At the local level, orientation is focused on the roles and responsibilities of the organization, its programs/services and operations, the role of the board and the expectations for individual members. The orientation's objective is to help new members become as effective as possible and as soon as possible.

Orientation at the local level should:

- ensure that each new member fully understands the formal governance structure, the legislation/regulations, the bylaws, the role of the board, its supporting committees, and the expectations in respect to individual performance as set out in the board charter, document of expectations or equivalent statement.
- build an understanding of the organization's operations and working environment:
 - o the programs or services;
 - o summary details of the board's principal assets, liabilities, significant contracts and affiliates;
 - o the board's structure;
 - o the organization's major risks and its risk management strategy;
 - o key performance indicators; and
 - o any operational or regulatory constraints.
- build a link with the individuals who make up the board, including:
 - o opportunities to meet and get to know fellow members;
 - o meetings with senior management; and
 - o visits to the board's sites to learn about operations and to meet employees.
- build an understanding of the main relationships/partnerships.

At the local level, the orientation program for the new members can be customized to take into account their background and skills.

Written materials to be provided for orientation may include, but are not limited to the board manual.

GOAL: BOARD MEMBERSHIP IS WELL MANAGED.

The board's manual contains:

- Board Charter (or job description);
- committee terms of reference;
- document that details expectations for board members;
- Code of Conduct and Ethics;
- organization structure;
- demographic information;
- service providers and partners;
- board resources;
- key processes and timelines for strategic planning;
- budget planning and reporting;
- relevant legislation;
- board bylaws;
- board operational policies;
- the board's most recent strategic/service plan;
- the most recent annual and quarterly financial and accountability reports;
- an explanation of the board's key performance indicators;
- minutes from the last three to six board meetings;
- a schedule of dates for upcoming board meetings;
- details of board committees and copies of the minutes from the last three to six meetings if a new member will be joining a specific committee; and
- biographical and contact information for members and senior management.

Suggested Best Practice:

The board has a culture that encourages new board members to participate fully and effectively in board activities as soon as possible.

In addition to orientation, the board should encourage new members to participate in activities as soon as possible. One mechanism to achieve this would be to match a new board member with an existing board member. The latter would act as a mentor.

GOAL: BOARD MEMBERSHIP IS WELL MANAGED.

Ongoing Education

Beyond the initial orientation, the board should provide members the opportunity for ongoing professional development. This will help members maintain or improve their skills. Furthermore, ongoing professional development will provide members with opportunities to deepen their understanding of the organization, its functions and its operating environment.

Ongoing education may take place as part of regular board meetings, as part of the board's annual retreat or in separate educational sessions. For the latter case, ongoing education at the local level may be combined with that at the provincial level.

Suggested Best Practice:

The board provides ongoing educational opportunities for directors to learn about the organization, its sector and its corporate governance practices, and maintains a policy encouraging members to take advantage of these opportunities.

GOAL: BOARD MEMBERSHIP IS WELL MANAGED.

Professional Development at the Provincial Level

To maintain a sustainable, efficient and accountable quality health system in Saskatchewan, board members need to be engaged in ongoing educational opportunities that enhance their governance skills. The Governance Committee assumes the role of

overseeing the development and delivery of a formal, structured and comprehensive education program for board members.

Province-wide education sessions are provided to support ongoing professional development of board members.

GOAL:

THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Background

Boards can enhance their overall effectiveness by establishing committees at the board level. The main benefit of committees is that specific committees enable boards to focus on and oversee matters of particular concern. Committees can also help members gain a deeper understanding on matters requiring specialized decision-making or approval.

However, it is not suggested that all the boards take a cookie cutter approach to utilizing all the committees introduced below. A board may establish other committees on the basis of its perceived need. The board should use committees that are appropriate to individual board's specific needs and circumstances. In the case where a board finds it appropriate and in its best interest not to use committees, the entire board should discharge committee duties and activities.

A key concept of the relationship between the board and its committees is that committees should support and advance the work of the board and the board should control and coordinate its committees. If a board does not control its committees, its committees will control the board. If various committees are working toward different directions, attempting to advance different agendas and focusing on wildly different levels of detail, it is almost impossible for a board to govern effectively and efficiently.

Application

Membership of Board Committees

Some governance best practices call for three individuals to sit on each of the board committees and that committee membership consist of both board and non-board members. The approach for the latter presents an opportunity to extend the reach of the board into the community and identify potential recruits for subsequent nomination to the board.

However, the approach adopted by most boards that have committees is to have all committees consist of board members only. This does not preclude boards having senior management teams or other resources to assist board committees with their work. Rather, it is recommended that board committees consist of board members and that these committees may, from time to time, have meetings to include experts from outside/management to provide advice on specific issues as needed. Senior management may be part of committees for their expertise, but they do not vote on the committees and thus are not considered as committee members.

The size of board committees may vary and depends upon the committee responsibilities. The size of the committee should enable the committee to: a) function efficiently b) encourage member participation, and c) have appropriate representation of knowledge and experience. Generally, a committee size of three to six individuals is sufficient to accomplish these objectives.⁵

⁵ Audit Committee Institute. (2006). *Shaping the Canadian Audit Committee Agenda*

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Establishment of Committees

A review of literature on corporate governance and actual experiences in the health sector indicate that the four most common core committees that are applicable to the boards fall in the following areas:

- Finance
- Audit
- Governance/Nomination
- Human Resources (It is noted that currently some boards use executive committees that assume the roles and/or responsibilities of human resources committees.)

Each of these committees is a standing committee and should clearly be tied to the board's core responsibilities. Good governance suggests that each committee have terms of reference detailing the committee's structure, composition and responsibilities. Where workload and requisite skills allow, committees may serve in a dual role such as Audit & Finance. The terms of reference for an individual

committee may also be broadened to cover related board interests. For example, the Finance Committee may be assigned responsibility for ensuring that an information technology plan that effectively supports the strategic planning process is in place.

Suggested Best Practice:

The board accomplishes functions by establishing committees in the core areas of Finance, Human Resources, Governance/ Nomination and Audit.

The chairperson and membership of individual committees are recommended by the board chairperson and confirmed collectively by the board. With prior approval of the chairperson, committees have the authority to engage consulting advice and independent counsel.

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Executive Committee

In the past boards often choose to appoint an Executive Committee and granted it the power to exercise the authority of the board in the management of the business and affairs of the board between regular board meetings. However, a review of best practices in corporate governance literature indicates that the use of an Executive Committee is no longer an accepted practice. It is important to ensure that all board members have access to the same board information, and that the conduct of board business is open, transparent, and collegial.

Members are often chosen for membership on the Executive Committee because they reside in or near the community of the board office and therefore, would likely be more readily available to conduct board business. Executive Committees have the potential to create two classes of members – rural and urban. This may create tension amongst members and between communities and may result in an urban – rural split.

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Finance Committee

The goal of the Finance Committee is to recommend financial objectives and policies to the board, ensure the preparation of the annual budget and operational plan for approval of the board, monitor financial performance against indicators established by the board and recommend corrective action as required in relation to financial performance.

The following are common responsibilities of the Finance Committee:

- examine the budget methodology and recommend the operating budget for approval by the board;
- review planned expenditures and recommend annual capital budgets for approval by the board;

- review and recommend major tenders or contracts;
- recommend investment guidelines and receive annual information on investment performance;
- ensure the board receives timely, meaningful reports on its financial situation including up-to-date forecasts of year-end results.

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Audit Committee

The Audit Committee assists the board in fulfilling its financial accountability and oversight responsibilities. The committee achieves this by reviewing the financial and performance information provided to the stakeholders, monitoring the systems of internal controls set by management and board plus overseeing the internal/external audit processes. The committee has the authority to engage independent counsel and other advisors, with prior approval from the board chairperson.

It is recommended that the board chairperson sit on the Audit Committee. Furthermore, all members of the Audit Committee should be independent and financially literate. Ideally, at least one committee member should have a financial designation or financial management expertise.

The responsibilities of the Audit Committee are as follows:

- review and approve the financial information to be provided to stakeholders and ensure that this information accurately represents the organization's activities;
 - review any proposed changes to the position of the board's chief financial officer;
 - review and approve the systems of risk management and the internal controls established by management and the board to:
 - ensure the board's sound financial performance;
 - ensure that the board's internal controls have integrity and will lead to the production of accurate financial statements and performance reports;
 - ensure that management has appropriate systems in place to identify and manage risk; and
 - prevent financial mismanagement;
- recommend the appointment and compensation of the external auditor;
 - oversee the independence of the external auditor, including where appropriate, the development of an auditor independence policy;
 - work with the auditor to define the purpose of the audit, formulate and approve the audit plan; and review audit results;
 - evaluate the need for an internal audit function and make appropriate recommendations to the board; and
 - where an internal function is in place:
 - hire, evaluate and (if needed) replace the head of the internal audit unit;
 - approve the internal audit unit's terms of reference;
 - approve the audit unit's short and long-term plans and related resources;
 - initiate and approve specific requests for audits;
 - review audit reports (or summaries) and ensure implementation of recommendations; and
 - evaluate the internal audit unit's performance.

⁶ Here, "independent" means having no material direct or indirect association with the organization; and "financially literate" means that the member has the ability to read and understand a set of financial statements which present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the organization's financial statements" (From: Board Resourcing and Development Office of the Premier, Province of British Columbia. (2005) *Best Practice Guidelines: BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations*.).

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

When needed, the committee recommends to the board the appointment and compensation of an external auditor. Any work, in addition to audit duties, to be performed by the auditor should be pre-approved by the board on the recommendation of the Audit Committee. The board, not management, appoints an external

auditor and the auditor reports to the Audit Committee. Occasionally, the committee should meet with the auditors without management present.

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Governance/Nomination Committee

The major responsibilities of the Governance/Nomination Committee at the board level include formulating and recommending governance principles and policies. This committee also plays an enhance role of leadership for all matters of corporate governance for the board.

Additionally, the Governance/Nomination Committee is typically responsible for:

- developing member selection criteria for board membership as a whole and specific vacancies;
- identifying and evaluating potential candidates to be recommended to the board for appointment or re-appointment;
- developing a plan and process for the orderly long-term renewal of its membership; and
- evaluation of board and management

It is suggested, if a board has such a committee or intends to establish such a committee, that the Governance/Nomination Committee oversees the board's governance and nominating activities. At the local level, the Governance/Nomination Committee may have the following responsibilities:

- review the skills and experience required by the board;
- identify new members for recommendation to the Ministry of Health;
- review the relevance of individual committees and committee terms of reference;
- manage evaluations of board, committee, chairperson and member performance;
- ensure appropriate board orientation and professional development;
- articulate roles and responsibilities for the board, its committees, the chairperson and individual members and recommend to the board any needed changes;
- prepare and update a board manual containing all documents relevant to the board's governance structure; and
- provide oversight to the Code of Conduct and ethics.

The Governance/Nomination Committee should keep up to date with developments and emerging best practices in corporate governance.

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Human Resources Committee

Typically, the major duty of the Human Resources Committee is to review and approve CEO compensation. This committee evaluates and sets the CEO compensation based on meeting performance goals.

The following are primary responsibilities of Human Resources Committees:

- oversee the evaluation and compensation of the CEO;
- develop CEO performance objectives together with the CEO, the chairperson and the board;
- ensure the organization has a sound plan for management succession; and
- ensure that the organization has appropriate human resources and compensation policies.

In the Saskatchewan health system, the compensation of a CEO who works with the board is subject to the policies developed by the Ministry of Health. Therefore, when a new CEO is being recruited, the Human Resources Committee must ensure conformity with the Ministry's policies in this area, and that the board has appropriate human resources policies that are consistent with and supportive of the provincial direction.

GOAL: THE BOARD EFFECTIVELY DISCHARGES ITS FUNCTIONS AND RESPONSIBILITIES.

Ad Hoc Committees

Sometimes, a board may wish to establish time-limited committees to deal with specific matters that are a board priority at a particular time. For example, an ad hoc Capital Project Committee may be required to oversee construction on a time-limited basis.

Suggested Best Practice:

The board may from time to time establish such special or ad hoc committees that will assist the board in carrying out specific functions.

GOAL:

THE BOARD EVALUATES ITS OWN PERFORMANCE IN RELATION TO ITS RESPONSIBILITIES AND PERIODICALLY REVIEWS AND REVISES GOVERNANCE POLICIES, PROCESSES AND STRUCTURES AS APPROPRIATE.

Background

Evaluation is part of the whole cycle of corporate governance. Best practices in corporate governance indicate that boards should establish formal processes for evaluating the performance of the board as a whole, chairperson, board committees and individual members. This will help in fulfilling the board's responsibility to its accountabilities.

It is important to remember that board assessment and evaluation exists first to aid individuals and only second to highlight performance shortfalls.

Some of the benefits of board and member evaluation are the opportunities it provides to:

- highlight successes;
- learn what processes are working well;
- identify and implement changes to areas requiring improvement;
- self-improve;
- inform board renewal;
- change policies or practices; and
- inform reallocation of resources.

The underlying principles and approaches of evaluation are the same for boards, chairpersons, board committees and individual board members. The major steps to conduct the evaluation can be based on those for evaluating the CEOs, modified as appropriate (See section "CEO – Chief Executive Officer: Performance Expectations

and Evaluation"). In all cases, the scope and nature of the review (i.e. how individuals will be evaluated and against what) should be defined before any data is collected. In addition to formal evaluations, informal evaluations should be periodically conducted to avoid any surprises for the individual being reviewed.

Suggested Best Practice:

The board evaluates the performance of itself, its committees and its members in relation to their respective roles and responsibilities.

Boards may introduce evaluation in stages, starting with the full board and committee evaluations, and then moving to assessments of the chairperson and individual board members. The actual form of the assessment may be tailored to each board. Furthermore, each board should adjust the evaluation process in order to best address its own issues.

Application

The board, its members and board committees should all undergo evaluation.

Evaluation of the Board and its Committees

Boards and their committees are usually evaluated against the criteria set out in the board Charter/Expectation/Accountability Documentation and/or their terms of reference.

The following are common areas that board and committee evaluations should cover:

- whether the board or committee has adequately performed its roles and fulfilled its responsibilities (e.g. strategic planning, budgeting, CEO evaluation, risk management, etc.);

**GOAL: THE BOARD EVALUATES ITS OWN PERFORMANCE IN RELATION TO ITS RESPONSIBILITIES
AND PERIODICALLY REVIEWS AND REVISES GOVERNANCE POLICIES, PROCESSES...**

- the adequacy of board or committee operations and decision-making processes (e.g. adequacy of information, committee structure, board composition, adequate discussion time, etc.); and
- board or committee effectiveness (e.g. board culture, opportunities for meaningful participation, communications with the Ministers, communications with management).

GOAL: THE BOARD EVALUATES ITS OWN PERFORMANCE IN RELATION TO ITS RESPONSIBILITIES AND PERIODICALLY REVIEWS AND REVISES GOVERNANCE POLICIES, PROCESSES...

Evaluation of the Board Chairperson and Individual Members

The effective performance of the board chairperson and individual members is fundamental to the success of the board and the organization as a whole. Evaluation of the chairperson and members should be conducted with reference to job descriptions and prescribed expectations. Some of the common topics that would be covered in an evaluation are:

- The level of the member's skills, experience and demonstrated expertise;
- The level of a member's preparation for board discussions and the degree of participation in them; (with modification for the chairperson evaluation)
- The member's knowledge about the organization, its strategic direction and its operational environment;

- The member's record of attendance;
- The member's ability to express views and hear the views of others; (with modification for the chairperson evaluation)
- Ethical standards; and
- The member's commitment to the best interests of the organization.

(See also section on “Nomination/Appointment Process for Board Members”)

It is important that there be appropriate follow-up to evaluation. Once evaluation is completed, the board should make certain that steps are taken where necessary to improve the effectiveness of individual members, committees or the board as a whole.

GOAL:

THE BOARD OVERSEES THE ENGAGEMENT, HIRING, AND ANNUAL PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER. THE BOARD ALSO DELEGATES RESPONSIBILITY AND RELATED AUTHORITY FOR THE MANAGEMENT AND OPERATION OF THE ORGANIZATION.

Background

While the board chairperson is the head of the board, the chief executive officer (CEO) is head of management. In Saskatchewan, the CEO is responsible for management/administration of all health services and programs of the board under the direction of the board. The CEO supports the key business functions of the board to ensure that quality; effective and integrated health programs and services are delivered to the residents of the health region and Saskatchewan. In some cases, the CEO roles and responsibilities overlap those of the board and thus, may be shared; however, there are many cases where the CEO and the board assume different roles and responsibilities.

The board typically establishes the selection process for the engagement of the CEO and to hire the CEO in accordance with the process. As the CEO position is critical in defining the success of the board, it is very important for the board to have a process in place to monitor and evaluate CEO performance.

Annually, the board should conduct the CEO's formal performance evaluation, review and approve his or her compensation plus set his or her goals and objectives for the upcoming year. The board delegates responsibility and related authority to the CEO for the management and operation of the organization and the CEO

is accountable to the board. Furthermore, at any time, the board may revoke or suspend the appointment of the CEO.

The relationship between the board and the CEO is crucial to the ongoing success of the organization. This relationship should be one of trust and mutual respect where each party understands and appreciates the role of the other. There are occasions where tensions can exist. On the one hand, the board provides oversight and holds the CEO accountable for the organization's performance and, in so doing, must probe and critically evaluate management's proposals and decisions. On the other hand, the board and its members provide strategic advice and give support to the CEO. Should this dynamic relationship become adversarial, dysfunction and poor decision-making will invariably result.

Application

The board sets the job description of the CEO. The board also oversees the recruitment of the CEO and the evaluation of his or her performance.

CEO Job Description

While a key role of the board is to oversee and supervise management, a key role of management is to manage the business and to be accountable to the board.

The job description of the CEO should describe the CEO's designated duties and responsibilities as well as the division of responsibility between the CEO and the board.

Suggested Best Practice:

The CEO understands his or her responsibilities and expectations of the role.

GOAL: THE BOARD OVERSEES THE ENGAGEMENT, HIRING, AND ANNUAL PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER. THE BOARD ALSO DELEGATES...

The job description should also contain an item that indicates that the CEO needs to have regular contact with the Ministry of Health, while making it explicit that the CEO remains fully accountable to the board.

The following are common elements contained in CEO job description. The CEO should:

- be responsible for developing and implementing/operationalizing the board's strategic plan;
- be responsible to the board for its management in accordance with its policies and direction;
- ensure financial performance and appropriate systems and structures are in place for the effective management of the organization;
- demonstrate integrity and ethical leadership in support of the board's responsibility with respect to development and periodical review of the board's mission and objectives;
- recruit and select management team members, train and monitor senior management team, and assess the performance of other management staff so as to ensure a good management team is in place;
- promote and support the board's values, culture and philosophy;
- be responsible for the board's allocation of the valuable capital, human and technical resources;
- represent the board externally to the community, government, media and other organizations and agencies;
- ensure compliance with all legislative and regulatory requirements;
- identify, monitor and manage risks and report results; and
- attend board and committee meetings as required.

GOAL: THE BOARD OVERSEES THE ENGAGEMENT, HIRING, AND ANNUAL PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER. THE BOARD ALSO DELEGATES...

CEO Recruitment

Recruiting a new CEO is one of the board's major undertakings. This task requires lots of preparation, including identification of skills/abilities that the board requires the CEO to possess. The board may consider using a professional recruitment agency to screen candidates and provide some initial comments. Much time is also needed for the reference checks.

The board should work together and communicate/consult with the Ministry of Health throughout the process to ensure that the proposed terms of employment are consistent with legislation and the Ministry's policies and directions.

Given the importance of CEO selection, it is expected that the boards will consult with the Ministry prior to the final decision.

GOAL: THE BOARD OVERSEES THE ENGAGEMENT, HIRING, AND ANNUAL PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER. THE BOARD ALSO DELEGATES...

CEO Expectations and Performance Evaluation

The evaluation process is the mechanism for communicating goals, accomplishments, expectations and accountabilities, leading ultimately to CEO and board success. Evaluation is also beneficial for CEO development. The process provides opportunities to recognize excellence, plus identify and acknowledge strengths as well as shortfalls.

Suggested Best Practice:

The board periodically conducts a formal performance evaluation of the CEO.

The process for setting the CEO's performance expectations and his or her subsequent evaluation should be agreed upon annually in advance by the board and the CEO. In addition to performance objectives, some factors the CEO can be evaluated on include: relationships, leadership, human resource management, stewardship, plus strategic planning and vision. The annual review should provide an opportunity for open and frank discussion, and it should allow the CEO to talk to the board about past performance assessments and to set goals for the upcoming year. The process should allow opportunity for the board members to discuss the CEO's performance, and feedback provided to the CEO should be delivered professionally in keeping with the nature of the review.

The focus of the CEO evaluation process should be informative, identifying areas where improvement is needed and recognizing and building on the positive governance practices the

boards have developed.

Overall, in the evaluation process, it is recommended that:

- Expectations/criteria for the CEO are agreed on by the CEO at the beginning of the evaluation period, and are objective and quantifiable to the fullest extent possible;
- Evaluations occur as quickly as possible after the measurement period ends;
- Accountability mechanisms that have a proven effect on performance are identified and expanded; and
- The whole process of evaluation is informative and constructive, not punitive; it focuses on solutions rather than problems.

Steps in a CEO Performance Evaluation⁷

The major steps of CEO evaluation are recommended as follows:

Step 1: Review the current CEO evaluation procedures/instruments by addressing the following questions:

- What are the strengths and weaknesses of the existing evaluation procedures/instruments?
- What is the purpose of evaluating CEOs?
- Who conducts the CEO evaluation – the chairperson of the board, the Governance/Nomination Committee, a designated member, or an individual appointed by the Governance/Nomination Committee, or other?
- Whose input should be obtained when evaluating the CEO's performance – chairperson, committee chairs,

⁷ Adapted from: Brown D., Brown D., and Birkbeck K. (1997). The Conference Board of Canada. *A Practical Guide to Assessing and Evaluating the Board and CEO*.

GOAL: THE BOARD OVERSEES THE ENGAGEMENT, HIRING, AND ANNUAL PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER. THE BOARD ALSO DELEGATES...

- all members, senior stakeholder representatives, HCOs, affiliates, or full 360-degree feedback from Ministry, peers, those mentioned above and self?
 - What criteria do we have for the current CEO's performance? Are they stated in the job description/contract? Are these criteria sufficient?
 - What measures or tools should be used? (e.g. dashboards with equal weightings in four critical areas as identified in the accountability document, indicators prescribed in the accountability document)
 - Who are the end users of the evaluation results – the Ministry of Health, board, or others? What are their expectations (can we use the Ministers' and board's expectation documentation for CEO evaluation)?
 - What degree of information about evaluation results will be provided to the stakeholders? Is the evaluation process strictly for internal use, or will others have access to the results?
- Step 2: Plan a formal evaluation process/system and developing evaluation forms/questionnaires*
- List all affected parties (those who are required to complete the evaluation forms and those who are going to be evaluated), contact them for input to setting objectives and expectations and involve them early in the process;
 - Tie expectations of the CEO to the board's mandate and objectives;
 - Review current role and responsibilities of the CEO;
 - Identify important qualities expected to be demonstrated by the CEO;
- Select specific performance standards and measures/indicators that have been identified for this period;
 - Determine the length and scope of the evaluation questionnaires and the nature of questions (open or closed questions); and
 - Incorporate into the evaluation forms/questionnaires the expectations of the accountability document and/or other related documentation.

Step 3: Implementing performance evaluations

- Distribute questionnaires to those individuals whose input is to be obtained;
- Collect all questionnaires at the end of the evaluation period;
- Compile and summarize the results (this can be done by a third party);
- Chairperson of the Governance/Nomination Committee or the designate meets with the CEO to discuss results – agree on facts and explore causes and solutions; and
- Encourage the CEO to act on agreed improvements and development steps.

Step 4: Implementing accountability mechanisms

- Recommend or determine newly established delegated authority levels, expectations based on the evaluation review;
- Communicate the results in summary to the board, particularly the chairperson of the board if the chairperson does not conduct the evaluation, and senior representatives of the stakeholders; and
- Report the evaluation results to the Minister and the Ministry of Health.

BOARD GOVERNANCE ORIENTATION MANUAL



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

Forward

In the Saskatchewan health system, regional health authorities (RHAs), the Saskatchewan Cancer Agency (SCA), and health care organizations (HCO) work to ensure the delivery of quality health services that address the needs of the people of Saskatchewan. Embracing best practices in corporate governance helps these boards operate at an optimal level to achieve their goal of providing quality health services.

This *Board Governance Orientation Manual* is intended to assist boards in improving their governance practice. This manual was developed through a collaborative review of governance best practice literature, actual public sector organization experiences and current Saskatchewan health sector practices. The companion document, Guide to Corporate Governance, contains additional resources and can be found on the Internet at <http://www.health.gov.sk.ca/governance>.

The regional health authorities, Saskatchewan Cancer Agency, and health care organizations' commitment to delivery of high quality services to communities will ultimately reflect the benefits of continuing to work together towards building better governance.

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SECTION ONE

SASKATCHEWAN'S HEALTHCARE SYSTEM

Saskatchewan's vision for health is *building a province of healthy people and healthy communities.* It is a broad and long-term vision that includes not only the provision of quality health services but also the importance of promoting and protecting good health. The Minister of Health, regional health authorities, healthcare organizations and other stakeholders in the health system work together and with other sectors to improve the health of Saskatchewan's people and the quality of the health system. This continual improvement requires an ongoing focus on governance.

Partners and Stakeholders

Overall, many groups share responsibility for the health status of Saskatchewan people. The key partners in the Saskatchewan health system include:

- the Minister of Health
- Ministry of Health
- regional health authorities;
- Saskatchewan Cancer Agency; and
- healthcare organizations;

These key partners have relationships or partnerships with each other, and are interconnected and interdependent.

Role of Government

The Government of Saskatchewan sets out the overall business and legislative plan for the provincial government, including establishing goals and other expectations and resources for the health system.

The provincial government supports the five principles of the *Canada Health Act*, and ensures that Saskatchewan's health services comply with the

Act. The government funds directly, or through the RHAs, many health services not covered by the *Canada Health Act* (e.g., chiropractic services, extended health benefits for seniors and their dependants, home care services, long term care, ambulance services, public health services, etc.)

The Minister of Health represents the Government of Saskatchewan in putting in place and maintaining a health system which, within available resources, meets the health needs of Saskatchewan people. The Minister is responsible for the overall delivery of quality health services by:

- setting direction, policies and provincial standards;
- allocating resources; and
- conducting performance measurement and reporting.

The Minister reports (and is accountable) to the Legislative Assembly on the health of Saskatchewan people.

The Ministry of Health assists the Minister in performing his or her responsibilities by:

- making recommendations,
- facilitating health policy development and implementation
- monitoring population health status,
- working with Boards to ensure governance and compliance with legislation and standards
- conducting performance evaluation of the health system;
- administering and managing a variety of health programs; and
- improving quality and management of health information

Saskatchewan Health Boards

Saskatchewan's regional health authorities, the Saskatchewan Cancer Agency, the Athabasca Health Authority and health care organizations

SECTION ONE: SASKATCHEWAN'S HEALTHCARE SYSTEM

comprise the main governing bodies in our health system.

Regional Health Authorities

Regional health authorities were established in 2002 under *The Regional Health Services Act*. The composition as well as the roles and responsibilities of regional health authorities are laid out in the Act.

Regional health authorities are accountable to the Minister of Health, and in carrying out their responsibilities, must work with the Minister of Health to ensure that region goals and objectives match with overall health system directions.

Regional health authorities are responsible for:

- planning and delivering health services;
- allocating and managing resources;
- ensuring reasonable access to services;
- monitoring, reporting and evaluating services and regional system performance;
- conducting needs assessments;
- maintaining a concerns resolution process; and
- supporting the goals outlined in *The Action Plan for Saskatchewan Healthcare*.

RHAs provide a wide variety of services including:

- hospital services;
- health, wellness and social centres;
- emergency response services, including first responders, ambulance; home care services;
- supportive care, i.e. long-term care, day programs, respite, palliative care and programs for patients with multiple disabilities;
- community health services, i.e. public health nursing, public health inspection, dental health, vaccinations, and speech pathology;



There are twelve regional health authorities governing twelve health regions in Saskatchewan.

- mental health services; and
- rehabilitation services.

Saskatchewan Cancer Agency

The Saskatchewan Cancer Agency (SCA) is responsible for planning and delivering cancer care services throughout Saskatchewan.

The composition as well as the roles and responsibilities of the Cancer Agency are set out in *The Cancer Agency Act*.

The Cancer Agency is accountable to the Minister of Health and in carrying out its responsibilities, must work with the Minister of Health to ensure the effective delivery of cancer

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care services throughout Saskatchewan.

The Cancer Agency's responsibilities include:

- providing services respecting:
 - detection, diagnosis, testing, treatment and monitoring of individuals for cancers;
 - provision and delivery of treatment or rehabilitation services to individuals;
 - education of healthcare providers and Saskatchewan residents respecting cancer and the prevention of cancer;
 - prevention and screening of individuals for cancers; and
 - cancer research and studies, including statistical analysis.
- assessing cancer care and healthcare needs of the persons receiving cancer care services;
- coordinating cancer care services with health services provided by RHAs and other health service providers; and
- establishing provincial protocols and standards for cancer care services.

Athabasca Health Authority

The Athabasca Health Authority is a non-profit corporation operating under the authority of *The Non-profit Corporations Act*.

Membership is made up of First Nations bands and non-First-Nations communities located in the Athabasca Basin. The Authority provides health services in the basin under agreement with the federal government and Saskatchewan Health.

The major facility operated by the Authority is the health centre (acute and long term care) located on First Nations land adjacent to Stony Rapids. Athabasca Health Authority also provides community care, population health, and primary healthcare services.

Healthcare Organizations

Healthcare organizations (HCOs) are organizations that receive funding from a regional health authority to provide health services.

HCOs include both non-profit and for-profit organizations. The majority of non-profit HCOs are hospitals and special care homes that are owned by non-profit groups, often organizations with a religious affiliation, governed by their own Boards. In addition, there are a variety of HCOs that provide mental health and addictions services. The majority of non-profit HCOs are established pursuant to *The Non-Profit Corporations Act*.

For-profit HCOs include special care homes operated by Extendicare Canada and private ambulance operators

HCO Boards are accountable to the owners of the facilities. At the same time, these Boards are also accountable to the Minister of Health and to the RHA in which they operate for the programs and services they provide and the funding they receive.

Detailed information on partners and stakeholders can be found in the Guide to Corporate Governance

SECTION TWO

GOVERNANCE

Understanding Governance

Governance is commonly seen as a method of control or management. However, governance is not simply just a process strictly about organizational controls. Instead, governance is about stewardship where a group - the governing body - oversees the affairs and more importantly, *guides* the strategic direction of the organization.

A governing body governs by setting goals for an organization but not by dictating the exact process for how those outcomes will be achieved.

Above all, governance is about trust and confidence. Board members play an extremely important role in overseeing the care of the organization. Others, such as the public and users of the organization's services, entrust the Board to act in the best interest of the organization. By fulfilling this role, a Board fosters respect, confidence, support and ultimately, unity in the organization.

The CEO works with the Board but it is the CEO's responsibility to lead the organization in achieving the Board-approved directions.

The responsibility of day-to-day management resides with the CEO.

Governance Models

Each Board governs by a particular governance model. Literature describes a 'governance model' as a set of structures, functions and practices that define who does what and how they do it, related to the roles and relationships of Board members and the CEO. A model provides a coherent set of policies and practices related to governance, and reviewing models of governance can be an effective part of an approach to analyze

governance needs. A governance model also outlines the different accountability relationships.

Governance models vary according to how a Board is structured, how responsibilities are distributed and how processes are used for Board management, and decision-making.

Below are some examples of different governance models. A Board may choose to modify a model(s) in order to create one that is suitable to their needs.

Operational

Board members do the work as well as govern the organization. This is typical of a Board in the founding stage and organizations, such as service clubs, that have no staff and that rely largely on Board members and other volunteers to achieve their aims.

Collective

The Board and staff are involved as a single team in decision-making about governance and the work of the organization. The Board members may be involved in some of the work in services and/or management functions.

Management

The Board manages the operations of the organization but may have a modest staff, e.g. a single staff coordinator. Board members actively manage finances, personnel, service delivery, etc. Staff members may report to Board member or managers directly, through a staff coordinator or through a dual reporting line.

Traditional

The Board governs and oversees operations through committees but delegates management functions to the CEO. Committees are used to process information for the Board and sometimes do the work of the Board. The CEO may have a primary reporting relationship to the Board through the Board chair.

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Policy Governance

The Board governs through policies that define the Board/CEO relationship and establish organizational aims (ends), governance approach and management limitations. The CEO has broad freedom to determine the means that will be used to achieve the organizational aims. The CEO reports to the full Board. It does not use committees but may use task teams to assist the Board in specific aspects of its work.

Results-Oriented Board

The CEO is a non-voting member of the Board, carries substantial influence over policy-making, is viewed as a full partner with the Board and has a relatively free hand at managing to achieve objectives established by the Board.

Committees are used for monitoring/auditing performance of the Board, CEO, and organization. Board members are selected for community profile, capacity to open doors for the organization, and may be used for selected tasks in their area of expertise.

Advisory

The Board's principal role is to support the CEO. The CEO may play a significant role in selection of Board members. Board members are selected for community profile and contacts. The Board provides legitimacy to the organization but exercises its governance role in a hands-off manner. Board members provide advice and guidance to staff on complex or contentious matters, and may contribute individually or through task groups to particular aspects of organizational work. However, the Board retains fundamental accountability for the organization and will have to assume a more proactive role in the case of any major crisis.

Representational

An approach used by organizations where governance is partially or wholly in the hands of publicly elected officials. This is the case, for example, with school Boards, federations, or other organizations where there is a need to ensure direct representation of constituents' interests. The challenge for Board members is to balance interests of their particular constituents against the best interests of the overall organization. They may, and in the case of publicly elected officials do, carry grievance resolution/ombudsman functions. They may, as in the case of school Boards, have prescribed responsibilities for public consultation and human resources.

Hybrid Policy Leadership Model

The Hybrid Policy Leadership Model provides for Board stewardship by maintaining clear separation between governance and management, with a focus on providing strategic leadership and development. Management focuses on developing policy options for operations that provide Board members full background information, a range of options and the implications of each option.

Saskatchewan's Health Governance Model

The model that a Board adopts, affords the Board all the resources and knowledge required to oversee the provision of health services and make decisions that positively contribute to meeting provincial goals and objectives. Within the context of Saskatchewan's healthcare system, a health Board's governance model is one that best meets their needs, fits their specific circumstances, and allows them to discharge the expectations set out in the *Roles and Expectations of the Minister of Health and Saskatchewan's RHAs* and the Accountability Document.

SECTION TWO: GOVERNANCE

The governance model that effectively positions a Board's responsibility for policy development with the need for knowledge about operational matters may be conceptualized in the middle of a continuum between a pure policy position and a "micro-management" position that sees a Board over-involved in areas of management.

Saskatchewan regional health authorities and the Saskatchewan Cancer Agency are accountable to the public but also to the Ministry and other stakeholders. Therefore, the governance model suggested for Saskatchewan Boards and healthcare organizations is one that balances private and public expectations and seeks balance between a policy governance model and an operational governance model.

The model for health boards is characterized by:

- establishing an organizational direction that is consistent with the provincial strategic direction;
- supporting and complying with legislation, regulations, provincial policies and ministerial directions;
- conducting activities with openness and transparency;

- providing leadership in governing the affairs of the organization while delegating day-to-day operational tasks to management;
- developing and maintaining partnerships with stakeholders;
- ensuring the planning and delivery of high quality health services while protecting patient safety;
- fulfilling accountability and answerability relationships;
- safeguarding organization's resources through sound fiscal policies, internal controls and risk management plans;
- utilizing effective processes for communication to stakeholders;
- ensuring the protection of privacy of health information; and
- striving to achieve good governance by conducting routine assessments and participating in ongoing education.

SECTION THREE

ACCOUNTABILITY

Understanding Accountability

Improvement in Saskatchewan's health system requires an understanding of accountability. We need to clearly assign responsibilities, set expectations and monitor and report on the performance of the health system. Understanding accountability is key to any effective governance relationship. Accountability includes assigning responsibilities, setting expectations, and monitoring and reporting.

A widely used definition of accountability in the literature is: *the obligation to answer for a responsibility that has been responsibly conferred*. This definition often is interpreted as implying two distinct and often unequal partners: one confers and the other is obliged to answer.

In the context of meeting health needs more effectively and efficiently, accountability can be defined as:

A relationship based on the obligation to demonstrate and take responsibility for performance in light of agreed upon expectations.

This definition makes clear the need to answer for what has been accomplished (or unaccomplished) that is of significance and of value. In demonstrating performance against agreed upon expectations, both the need to balance greater flexibility and autonomy with enhanced accountability for results and the need for openness and transparency are made evident. The 'agreement' is either an explicit or implicit agreement between subordinates and superiors in a hierarchical relationship, or the agreement between partners in a less hierarchical relationship.

Accountability and responsibility are the same. A responsibility is the obligation to act or make a decision. Accountability is a formal relationship that comes into existence when a responsibility is conferred and accepted and with it, an obligation to report back on the discharge of that responsibility. One is responsible for something, but accountable to someone.

Accountability must be distinguished from similar terms such as responsibility and answerability.

A party who is accountable is subject to direction or sanctions by the individual or body that confers the responsibility. Answerability, on the other hand, is the obligation to simply provide information and explanation to another party. An answerable party is not subject to direction or sanctions by the party requesting the information. Answerability arises from implicit or explicit expectations between parties in a relationship, sometimes based on traditions. These expectations can result in obligations between the answerable parties.

Many of the informal relationships that exist throughout the health system are "answerable" relationships.

Health professionals, for example, are answerable to their peers as individuals and to other health professionals - this enables teams to function. Peers share information but don't provide direction or apply sanctions to each other.

Health authorities are answerable to other health authorities - sharing information enables authorities to provide better coordinated care for the people of Saskatchewan.

Health professionals and other healthcare providers are answerable to their patients. Health professionals provide information and

SECTION THREE: GOVERNANCE

explanation to patients and obtain consent before providing treatment, but patients do not provide direction or apply sanctions to improve professionals' performance. However, patients can exercise their rights to seek professional care elsewhere or to raise issues with the professional bodies to whom the various professions are answerable for their licensure.

Achieving Effective Accountability

There are five main principles that help achieve effective accountability:

1. Clear roles and responsibilities;
2. Clear performance expectations;
3. Balanced expectations and capacities;
4. Credible reporting; and
5. Reasonable review and adjustment.

The more each of these principles is present in an accountability arrangement, the greater the likelihood that accountability is effectively in practice. They also suggest indicators that can be used to assess the degree and depth of the accountability relationship.

Clear Roles and Responsibilities

The roles and responsibilities of the parties in an accountability relationship should be agreed upon and well understood by all parties involved. This provides the context within which both parties will respond and perform.

If an understanding does not exist and required clarification has not occurred, the basic underpinnings of an effective relationship are absent. This creates the risk of confusing implementation of arrangements and, if things go wrong, makes it more difficult to determine what happened. Parties in an accountability relationship must make certain that the responsibilities for the procedures and processes used are clear.

Clear Performance Expectations

The objectives being pursued, the accomplishments expected and the constraints to be respected should be explicit, understood and agreed upon.

If expectations are unclear, their realization is, of course, quite unlikely. Accordingly, it is very important that the expectations are mutually understood and accepted. This includes the need to agree on what each party is expected to contribute to the end result, including the inputs and outputs to achieve the desired outcomes.

Balanced Expectations and Capacities

Performance expectations need to be clearly linked to and in balance with the capacity (authorities, skills and resources) of each party to deliver. An absence of a plausible link between what is expected and the authorities and resources supplied will tend to undermine the effectiveness of accountability. Expectations that are well beyond what is seen as reasonable for the resources provided will not be believed. On the other hand, achievement of what is seen as more than adequately resourced would not garner much credit. Accordingly, accountability is enhanced by clarity of the links, and balance between resources and expected results.

Credible Reporting

Credible and timely reporting of information demonstrates the performance achieved and what has been learned. Effective accountability requires reporting (an accounting) of what has been accomplished. This reporting can be to bodies to whom the parties are responsible and to the "other" parties in the accountability relationship.

The results accomplished must be described, attributed in some manner to the authority, linked to resources and actions taken, presented in light of the agreed expectations and reported

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in a reasonable time frame. Depending on the circumstances, reporting can be ongoing, periodic or both. In some situations, an external audit can be used to enhance the credibility of performance information.

Reasonable Review and Adjustment

Accountable parties should carry out enlightened and informed review and feedback on the performance achieved. Review should also include recognition of achievements. Additionally, the reviews should provide opportunities to assess difficulties and make necessary corrections.

The party or parties reviewing results need to consider what has been accomplished in light of expectations and the circumstances that existed, and then recognize achievements as well as under-achievements. Where expectations have clearly not been met, corrective actions may need to be taken, possible adjustments to the accountability arrangement made and lessons-learned noted. An accountability relationship without follow-up would impede the effectiveness of the process.

Accountability Process and Mechanisms

This section describes the overall process and mechanisms needed to support continuous improvement and ensure accountability. Continuous improvement and accountability are a continuous feedback loop of several well-defined steps:

1. Establish Expectations and Performance Measures

Expectations are desired results as set out in goals, guidelines, standards, targets or benchmarks. Expectations need to be set and clearly communicated.

Goals and targets (desired level of performance, to be achieved by a specific date) are developed by reference to standards (minimum acceptable performance levels) and benchmarks (comparators). This step includes deciding how progress toward goals will be measured in quantitative terms. It also includes developing the supporting information and reporting mechanisms for tracking and analyzing progress toward goals.

2. Select strategies

Options for achieving expectations are developed and evaluated, and strategies are selected. This phase includes identifying who is responsible for carrying out specific strategies and tasks.

3. Take action and monitor progress

The implementation phase involves doing the work, developing specific policies and procedures, designing programs or services and implementing and managing activities. It also includes collecting performance information to compare actual with planned results.

Accountability Process Diagram



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4. Report on results

Actual results achieved are reported and compared with planned results. Public reporting of progress towards goals and other expectations enables Saskatchewan Health to assess the performance of the health system.

5. Evaluate results

Results are assessed both by those conferring responsibility and by those charged with the responsibility. This evaluation involves consideration of the circumstances contributing to performance.

6. Maintain or Change Course

Based on the evaluation of performance and an assessment of current needs, decisions are made regarding whether changes to strategies, measures or even goals and other expectations are required. Decisions are fed back into the continuous improvement process of setting expectations, selecting strategies and monitoring.

Achieving Accountability In Saskatchewan's Health System

The process of accountability applies at all levels of the health system - Saskatchewan Health, RHAs, healthcare organizations, providers and other stakeholders, individuals working within the healthcare system and the public.

As partners in the health system we must work together to ensure the shared vision of *building a province of healthy people and healthy communities* is met. For accountability in the health system to be fully effective, all parties involved must feel individually and collectively accountable and share basic common values with respect to the health system. To the extent that shared values of responsibility, ownership, integrity and trust can be developed, the accountability arrangements will be stronger.

Accountability in our health system is supported by a number of mechanisms:

- legislation, regulations, policies;
- *Roles and Expectations*;
- Accountability Document;
- Minister's Forum;
- Leadership Council;
- planning and budgeting process;
- operating agreements between RHAs and HCOs;
- statistical, financial, and administrative reporting and monitoring;
- annual and other reports;
- processes for assurance of good practice;
- remedies to address Board and service delivery performance issues; and
- *Corporate Governance Tools*.

Legislative and Accountability Framework

As cited above, a number of mechanisms are in place to help foster greater collaboration between those in the health system.

Saskatchewan Health has developed an accountability framework; a series of interrelated policies and processes that defines and clarifies the performance relationship between Boards and the provincial government. While Boards are responsible to the public for the services that they provide, their accountability in operating the programs and services lies to the province through the Ministers of Health.

Healthcare organizations and contracted service providers are accountable to the RHAs with which they have funding and service agreements.

RHAs, the Cancer Agency and healthcare organizations are accountable to the Minister of Health.

SECTION FOUR

BOARD STRUCTURE

Roles and Expectations

To clarify expectations of the different parties in Saskatchewan's health system, the Roles and Expectations document was developed, setting out expectations for both RHAs and health care organizations. The document outlines the expectations of the Minister of Health, regional health authorities and health care organizations within the health system. Since the Minister of Health, RHAs and health care organizations have inter-dependent roles and responsibilities to each other, responsibilities and expectations for all are listed.

The document defines these expectations in relation to the following key areas:

- Strategic Planning;
- Fiscal Management and Reporting;
- Relationships;
- Quality Management;
- Monitoring, Evaluation and Reporting; plus
- Management and Performance.

Meeting the expectations in each of these areas is key to the boards of both RHAs and health care organizations in providing effective strategic oversight of the organization.

For example, with respect to strategic planning, a Board is in charge of:

- establishing the vision, mission and values consistent with the strategic direction provided by the province and establishing the directions, key expectations, and performance measures for its health region;
- supporting and complying with legislation, regulations, provincial policies, and ministerial directives that

promote the achievement of the strategic direction of the health system;

- developing intersectoral alliances and/or partnerships with other organizations;
- fulfilling its accountability relationships;
- ensuring the planning and delivery of quality health services;
- determining health service priorities;
- allocating regional resources for delivery of services; and
- submitting an operational plan and the annual service within the approved budget.

With respect to fiscal management and reporting, a Board is responsible for:

- reporting on its activities to the Minister of Health;
- safeguarding the organization's resources through sound fiscal policies and internal controls;
- commissioning an annual independent financial audit; and
- ensuring that the health status and health needs of the population being served are assessed on an ongoing basis.

With respect to developing and maintaining effective relationships a Board is responsible for:

- establishing processes for effectively communicating with the public;
- establishing effective community development processes;
- developing an effective working relationship with the healthcare organizations in the health region; and
- developing an effective working relationship with healthcare professionals.

With respect to promoting quality management a Board is responsible for:

- ensuring that effective quality assurance processes are in place;

SECTION FOUR: BOARD STRUCTURE

- ensuring the privacy of health information; and
- identifying risks to the organization and ensuring policies for risk management are in place.

With respect to monitoring, evaluating and reporting on the organization's performance a Board is responsible for:

- ensuring the organization's information systems and management practices meet the Board's and the minister's need for information;
- assessing and reporting on the Board's performance in addressing the health needs of its population; and
- ensuring processes are in place to monitor, evaluate and continuously improve the quality of work life.

With respect to monitoring, evaluating and reporting on the organization's management a Board is responsible for:

- developing processes for the ongoing education of Board members;
- making clear and informed decisions that all members can support;
- performing an annual assessment of the members' performance and using the results to continuously improve their performance;
- establishing sound processes for recruitment, appointment, and evaluation of its chief executive officer;
- establishing an effective working relationship with its CEO; and
- ensuring a succession plan is in place for senior executives.

Accountability Document

The *Accountability Document* is an annual document for regional health authorities, which

sets out the Ministry's expectations of regions for the funding that is provided. It contains both high-level organizational (governance and directional) expectations and program-specific expectations for the regions. The Board should understand the expectations for the programs and services provided by the region; however, it is not necessary for the Board to involve itself in the day-to day details of the operation. Instead, the Board should be clear with management of what the expectations are. Furthermore, the Board should be confident that management is achieving the expectations set out and is taking action where results are not being achieved.

The *Accountability Document* is also intended to clarify Saskatchewan Health's organizational, program and service expectations of regional health authorities. These expectations are complementary to those articulated in legislation, regulation, policy, and directives subject to amendments and additions/deletions made by the Minister and/or Saskatchewan Health.

Additionally, information in the *Accountability Document* is intended to clarify the ways that Saskatchewan Health will evaluate compliance with these expectations. Wherever possible, indicators or measures by which achievement of expectations will be assessed are shown side-by-side with expectations.

Operating Agreements Between RHAs And Healthcare Organizations

Regional health authorities need to ensure that the delivery system provides reasonable access to health services that are appropriate, safe, effective, cost-efficient and acceptable to the users and the system. RHAs must also ensure that services are integrated and coordinated within and across regional boundaries and provincial programs, and that they contribute to the quality of the overall health system for Saskatchewan.

SECTION FOUR: BOARD STRUCTURE

This expectation applies whether services are delivered directly by the health authority or by health care organizations. The Regional Health Services Act sets out the legislative requirements for agreements between regional health authorities and health care organizations. The principles set out in the Act are applicable to any other agreement that a regional health authority may have with any individual or corporation with respect to the provision of health services.

Board Structures & Composition

Regional Health Authority Boards

Regional Health Authority Boards are composed of no more than 12 members appointed by the Lieutenant Governor in Council who also designates the Chair and a Vice-Chair. Members are appointed at pleasure for a term of no more than three years, at which time the term may be renewed.

Saskatchewan Cancer Agency Board

Like regional health authority Boards, the Saskatchewan Cancer Agency Board is composed of no more than 12 members appointed by the Lieutenant Governor in Council who also designates the Chair and a Vice-Chair. Members are appointed at pleasure for a term of no more than three years, at which time the term may be renewed.

Healthcare Organization Boards

Not-for-profit corporations

Not-for-profit corporation have members, rather than shareholders. While most hospitals, special care homes and addictions and mental health providers are incorporated under *The Non-profit Corporations Act*, some hospitals and special care homes are established by a special Act of the Legislative Assembly. Members are not “owners” in the same sense that shareholders have an equity

ownership interest in a for-profit corporation. Members have the right to vote and to receive financial statements, but are not entitled to any distribution of the surplus revenues of the corporation (“dividends” in a for-profit context) nor are they entitled to receive the remaining assets on dissolution of the corporation.

Members are usually, but not always, members of the community who have been granted the status of “membership” in accordance with the organization’s by-laws. The role of the members is limited, but it is a meaningful and potentially powerful role. Directors are elected by the members and may, in certain circumstances, be removed by the members. Members approve fundamental changes such as amalgamations. Members are entitled to notice of, and to attend, the annual meeting.

Despite the fact that the directors are elected by the members, the duty of the directors is to act in the best interests of the corporation as a whole.

In addition, the relationship between the board and the members can be affected by the Ministry. Some limitations on these powers are outlined in Section 39 of *The Regional Health Services Act*. In addition, a board of a hospital or special care home may be removed and be replaced with a public administrator appointed by the Lieutenant Governor in Council on recommendation of the Minister of Health, where the Lieutenant Governor in Council considers it in the public interest to do so.

Denominational Health Care Organizations

The role of members may be different in a denominational hospital or special care home. Denominational facilities are those that were founded and supported by a religious organization. In the case of a denominational facility:

- The members will usually be representatives of the founding

SECTION FOUR: BOARD STRUCTURE

- or sponsoring religious order or organization and there may be some governance decisions that are reserved to the members; and,
- It may be expected to reflect the principles of the denomination through its mission, vision and values and in its operation.

For-profit corporations

For profit healthcare organizations are those facilities operated principally by Extendicare Canada and private ambulance operators.

These organizations' structure and the power of their members are established pursuant to The Business Corporations Act.

SECTION FIVE

BOARD ROLES AND RESPONSIBILITIES

General Board Roles And Responsibilities

A key component of good governance is that Boards understand their roles and responsibilities so that the organization can achieve its goals and objectives.

In general, a Board is responsible for:

- Providing strategic leadership and direction to the organization via setting the organization's:
 - Vision;
 - Mission; and
 - Core values;
- Establishing policies and procedures;
- Making decisions and monitoring Board performance related to effectiveness;
- Allocating resources;
- hiring a CEO;
- Coordinating and providing services; and
- Working together with stakeholders.

In addition, the Board:

- provides leadership to the organization (including setting culture and overall tone) and conducts business with openness, transparency and in the best interest of the organization;
- establishes policies and procedures which will provide the framework for the management and operation of the Board;
- establishes and reviews on a regular basis the mission, objectives, values, and strategic plan of the Board in relation to the provision, within available resources, of appropriate programs and services in

order to meet the needs; and

- evaluates its own performance in relation to its responsibilities and periodically reviews and revises governance policies, processes and structures, as appropriate.

Duties of the Board Members

Specifically, members should be:

- diligent;
- adhere to the Board's mission, vision and values;
- develop broad knowledge about the roles and responsibilities of members;
- work positively, co-operatively and respectfully as a member of the team with other members and with the management and staff;
- respect and abide by Board decisions;
- read all of the material for discussion in advance and participate actively and effectively at Board and committee meetings;
- keep informed about matters relating to the organization, the community served, and other health care services provided in the health region;
- participate in the initial orientation as a new member and in ongoing Board education;
- participate in the evaluation of the Board, chairperson, chief executive officer, and individual members as required;
- be in compliance with all applicable legislation/regulations and the Board's Code of Conduct and Ethics;
- avoid real and perceived conflicts of interest;
- maintain appropriate confidentiality with respect to organizational matters; and
- disclose to the Board any information

SECTION FIVE: BOARD ROLES AND RESPONSIBILITIES

the member might obtain that could be considered material to the Board's business or operations.

Board members need to clearly understand their individual roles and responsibilities.

Duties of the Board Chair

The Board Chair plays a significant role in Board functions and relationships. As with individual Board members, effective governance relies on the Chair understanding the roles and expectations of the position.

In general, the Board Chair assumes the following responsibilities:

- set and oversee Board meeting schedules, work plans and agendas in consultation with the CEO and the Board secretary;
- recommend the Chair and membership of individual committees;
- work with committee Chairs to coordinate committee work plans and meeting schedules;
- where appropriate, attend Board committee meetings;
- serve as the Board's spokesperson (or designate);
- assist management, Board, and Board commitments in understanding the roles and responsibilities of the Board and roles and responsibilities of management;
- manage conflicts of interest should they arise; and
- set overall tone and culture of the Board.

At Board meetings, the Chair:

- manages meetings, ensuring that its processes are effective and providing leadership in Board and member development;
- approves nature and length of presenta-

tions to be made at Board meeting;

- monitors meeting attendance;
- manages discussions appropriately;
- facilitates divergent points of view and works towards consensus;
- suggests ending discussion on a topic at the meeting; and
- calls for votes to confirm consensus decisions or to decide issues.

A Chair fosters the development and support of Board culture, characterized by:

- active and constructive Board engagement;
- acceptance of collective and individual responsibilities and accountability for actions;
- genuine commitment to practicing good governance;
- demonstrated commitment to transparency;
- willingness to work together as a team;
- timely and accurate disclosure of information to members; and
- acceptance by all of each member's right to hold and express a difference of opinions.

A Chair also works with management by:

- Building an open working relationship between CEO/senior management and the Board;
- Ensuring that communications with management support the early identification of policy and organizational issues that should be addressed by the Board; and
- Representing the stakeholders and the Board to management.

The Board Chair is the spokesperson on the Board's behalf and plays a role as the main liaison between the Board and stakeholders. It is important that the Chair and the Minister

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of Health communicate regularly to build a working relationship and support two-way accountability.

The Vice-Chair

The Vice-Chair assumes all the powers and duties of the Chair in the absence or disability of the Chair.

The Vice-Chair performs the Chair duties as needed along with other duties that are usually incidental to such a position or as may be assigned by the Board from time to time.

Board Relationship to Management

A Board's responsibilities differ from the responsibilities of senior management.

Management is responsible for the development of operational plans, policy options, appropriate reports to support decisions and management operations consistent with Board policy:

[The Board] must delegate authority [to the CEO] and recognize that, once authority is delegated, management must be free to manage. But the Board cannot be too accepting of management's views. It has the responsibility to test and question management assertions, to monitor progress, to evaluate management's performance and, where warranted, to take corrective action.

The table on the following page is an example of a framework in which the responsibilities for the strategy and strategic planning are divided between the Board and senior management. The division may be flexible depending on the size, complexity, and resources of the organization.

SECTION FIVE: BOARD ROLES AND RESPONSIBILITIES

| TASK | RESPONSIBILITY | |
|--|----------------|------------|
| | Board | Management |
| Providing leadership and direction in developing a strategic plan | ✓ | |
| Developing and implementing a strategic plan | | ✓ |
| Assessing and approving the strategic planning process | ✓ | |
| Annually establish organization goals, objectives and values to ensure the effective and efficient governance of the organization | ✓ | |
| Establish procedures for monitoring compliance with the requirements of <i>The Regional Health Services Act (The Cancer Agency Act)</i> , and other applicable legislation | ✓ | |
| Ensure that quality assurance, risk management, and utilization review methods are established for regular evaluation of the quality of patient care in the health region | ✓ | |
| Work collaboratively with other community agencies and institutions in meeting the healthcare needs of the residents in the health region | | ✓ |
| Ensure mechanisms and policies are in place to provide a high quality of care for patients in the health region | ✓ | |
| Appoint and reappoint physicians, dentists, and chiropractors and delineate the respective privileges in consideration of recommendations of the Practitioner Advisory Committee, Board's resources and whether there is a need for such services in the community | ✓ | |
| Establishing the vision, mission, and core values | ✓ | |
| Demonstrating integrity and ethical leadership in support of the Board responsibilities with respect to development and periodical review of its mission and objectives | ✓ | |
| Ensuring that key financial objectives and indicators are developed for approval by the Board and monitoring performance against these objectives | ✓ | |
| Ensuring financial performance and appropriate systems and structures are in place for the effective management of the Board | | ✓ |
| Preparing operating plans | | ✓ |
| Preparing budgets | | ✓ |
| Approving budgets | ✓ | |

SECTION SIX

BOARD LIABILITY

Directors' and Officer's Liability

The Principle of Limited Liability

The basic principle for regional health authorities, the Cancer Agency and corporations incorporated under *The Non-profit Corporations Act, 1995* is that members and directors are not liable for the defaults of the corporation. All of these entities are separate legal persons, and are responsible for their own debts and obligations.

Nature of the Board of Directors

Regional health authorities and Cancer Agency members as well as the directors of non-profit corporations manage the corporate activities and affairs with all its attendant risks and uncertainties, for the collective benefit of the corporation.

Nature of a Directorship

The precise nature of the position that an individual holds as a corporate director is difficult to define. Legislation does not specifically define the term director. The definitions in the corporate statutes generally state: “A ‘director’ means a person occupying the position of director and ‘directors’ and ‘Board of Directors’ includes a single director”. Members of boards are usually described as directors, but they may also be referred to as agents, trustees, managers, or some other similar designation. The position of a director is often described as an agent or trustee of the corporation, but neither term accurately describes a directorship. For example, an agent derives authority from a principal, whereas the authority of a director stems from the applicable corporate legislation, and the articles (charter) and bylaws of the corporation. In the case of a trusteeship, the trustee administering

the property becomes the legal owner of the property with a duty to the beneficiary of the trust. Directors, however, do not hold title to the corporate property they administer, nor are they the owners of the corporation.

No specific authority is conferred on individual directors by virtue of their position as directors other than their being entitled to sit as members of the board. For example, a director acting individually cannot bind the corporation unless such authority has been specifically conferred by the board of directors. Directors can only exercise authority collectively as members of the board of the corporation. A directorship is perhaps best described as a position entrusted with and responsible for the administration of the assets, activities and affairs of the corporation in an honest, fair, diligent, and ethical manner. A director must act within the bounds of authority conferred and with a duty to make and enact informed corporate decisions and policies in the best interests of the corporation and all of its members. A board member/director is personally accountable only for failing to meet these standards.

The courts have recognized that corporations, particularly business corporations in the pursuit of business ventures, must engage in certain speculations and risk taking. The actions of the directors on behalf of their corporations should not be unduly restricted so as to impede the activities of their corporations.

Nature of an Officership

Corporate officers are judged against the same standards of conduct as the board member/director or directors of the organization .

However, since the delegation of certain powers to the officers of the corporation is prohibited, the range of their potential liabilities may not be as wide as that of directors of the corporation.

SECTION SIX: BOARD LIABILITY

Duties and Obligations of a Director or Officer

Directors and officers can, however, become personally liable to third parties if they breach the duties and obligations imposed on them by law. Board members/directors have certain duties and obligations, which may result in personal liability if they fail to discharge them.

There are three general areas of obligation for a regional health authority and Cancer Agency members as well as the directors of non-profit corporations under *The Non-profit Corporations Act, 1995* and the other applicable laws:

a. The fiduciary duty

Fiduciary duty means having the character or nature of that of a trustee, having the characteristics of a trust, related to or founded upon trust or confidence. This is expressed in the Act as a requirement that each director, when exercising their powers as director, “*act honestly and in good faith with a view to the best interests of the corporation.*”

A part of the fiduciary duty is the proposition that a director must not be in a conflict of interest position in relation to the corporation. Assume the corporation wished to build a new building to house its office and one of its directors owned a construction company that was interested in constructing the building. That director would be in a conflict of interest in relation to the construction contract. If the director did not act properly in connection with the conflict of interest (by disclosing the conflict of interest and not becoming involved in any discussions on the contract), the director might become liable to account to the corporation in connection with the construction contract if it was awarded to the director’s corporation.

b. The duty of care.

This is phrased in the Act as a requirement that the directors and officers “*exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances*”.

Expanding on this topic:

- i. Directors are not obligated to take all possible care but they must use reasonable care;
- ii. In the absence of grounds for suspicion, directors may delegate appropriate responsibilities to committees, officers and managers. Directors also have the right to rely on auditors, lawyers and other experts;
- iii. Directors do not have to have any particular qualification or any special skills, although they must exercise special skills they have. By way of example, a director who is an engineer would be obligated to look at a building which the corporation wishes to purchase with the eye of an engineer, and not simply as a non-engineer would;
- iv. Inaction is no excuse. A director will not have complied with the duty of care to the corporation if the director fails to give attention to the activities and affairs of the corporation.

c. Statutory liabilities

A number of laws impose liability directly and personally upon the directors of the corporations for failure by the board member/director to perform a particular obligation. The most commonly encountered of these are:

- i. Liability for unpaid employees’ wages under *The Labour Standards Act*, and liability for unpaid withholdings on those wages under the *Income Tax Act (Canada)*. If the corporation does not pay the employees’ wages or does not pay withholdings on those wages to the Receiver General, the directors of the corporation are obligated personally to make up that amount.

SECTION SIX: BOARD LIABILITY

In the case of unpaid withholdings, the directors have a due diligence defence. This defence is not available to unpaid wages under *The Labour Standards Act*; liability is absolute insofar as it relates to unpaid wages.

ii. Liability for unpaid goods and services tax. Again, directors have a due diligence defence which is almost identical to the due diligence defence under The Income Tax Act (Canada).

iii. Liability for environmental damage or breach of the occupational health and safety legislation. These Acts impose liability on directors if the corporation fails to meet its obligations under the Acts in some circumstances.

iv. *The Non-profit Corporations Act, 1995* can also impose liabilities on directors in some circumstances. For example, under section 105 of the Act, directors can be liable if they authorize payment of profits to members of the corporation (unless it is to a member to whom services have been contracted for in order to carry out the activities of the corporation), if the corporation indemnifies a director in circumstances in which the indemnity is not available in accordance with *The Non-profit Corporations Act, 1995*, and a few other situations of a similar nature.

d. Corporate Criminal Liability Criminal Liability of Directors and Officers

Directors and officers could be held criminally liable for any criminal offence that they commit in the course of their duties

Criminal Liability of Corporations

Corporations can also be held accountable for *Criminal Code* offences. Newly passed legislation permits the combined acts of corporation's representatives and senior officers to constitute criminally negligent offences. This legislation also holds corporations accountable for criminal offences when senior officers commit an offence

to benefit the company, direct the work of other employees to commit an offence, or fail to take all reasonable measures to stop an employee from committing an offence.

The court can now impose a number of conditions on corporations when they are found guilty of committing a criminal offence. Those conditions could include such things as mandating that corporations change their policies and procedures, making the corporation publicly announce their conviction, ordering them to pay restitution, and/or giving them up to a \$100,000 fine for summary conviction offences.

e. Other points to note:

Traditionally, courts have been reluctant to set out precise rules of conduct that directors must follow when carrying out their activities.

The courts are also very reluctant to substitute or second guess a decision of corporate management provided that the decision was made honestly and within the scope of the authority of management.

The courts continue to consider the actions of directors and officers on a case-by-case basis, but board members and corporate officers are expected to adhere to certain general standards of conduct that have been judicially prescribed.

Insurance and Indemnities

Insurance is permitted to be obtained (though not necessarily obtainable!) against any liability to which a director or officer may be subject, except where the liability relates to a failure by the director or officer to act honestly and in good faith with a view to the best interests of the corporation. As a result, it is lawful to obtain insurance in any case where the corporation was able to give an indemnity, i.e. save a director harmless from loss or damage incurred.

SECTION SIX: BOARD LIABILITY

Insurance is useful where, when the directors examine the risk to them, they conclude that there is a risk of a claim in circumstances where they cannot reasonably protect against it and the corporation does not have reserves that could be

available to pay the liability. The situation will vary for each organization and will change from time to time as the organization's circumstances change.

SECTION SEVEN

CONFLICTS OF INTEREST

The term “conflict of interest” includes both material interests and representation group interests. The regulations under *The Interpretation Act* govern material conflicts of interest and the disqualification of members. A conflict of material interests usually exists for members who use their positions on the Board to benefit themselves, their families or relatives or friends. A conflict of representation group interests often exists when members act for their representation or interest group even though such action conflicts with the duties to the Board as a whole.

The Regional Health Services Act and *The Cancer Agency Act* provide that no Board member shall directly or indirectly receive any profit or personal financial benefit from their position of member other than the remuneration and reimbursement for expenses as authorized pursuant to the Act.

Personal conflicts of interest can arise and should be avoided. In a personal conflict of interest, personal considerations could compromise the member’s decision-making ability or judgement in the best interest of the organization. For example, competing personal and/or professional interests could result in the member advocating or promoting their private or professional interests, which ultimately interferes with he or she fulfilling their Board duties. A collision of personal and community interests could lead to the disclosure of private information and also impact a member’s decision-making ability.

Even if no actual conflict of interest exists, Board members need to be aware of the perception of such a conflict. The suggestion of any conflict of interest could generate an appearance of interfering with the Board’s

ability to making judgements in the best interest of the organization.

The benefits of avoiding the perception of a conflict of interest include:

- an increased level of trust in the Board and the organization;
- demonstrates that accountability within the organization exists; and
- reassurance to the community that the Board and the organization are ethical and are working in the best interest of the community.

There are several situations that could give rise to a conflict of interest. The following are examples of the type of conduct that can lead to a conflict of interest:

- influencing the Board to lease equipment from a business owned by the member’s family;
- influencing the Board to allocate funds to an affiliate or hospital where the member’s family member or relative works or is involved;
- influencing the Board to make all its travel arrangements through a travel agency owned by a family member or relative of the member;
- Influencing or participating in a decision of the Board that will directly or indirectly result in the member’s own financial gain.

The common elements that help avoid a conflict of interest are:

- members act in accordance with *The Interpretation Act, 1995* and avoid any conflict of material interest, or the appearance of a conflict, by placing the interests of the organization ahead of their own personal interests, or the interests of their associates and/or related persons; and

SECTION SEVEN: CONFLICTS OF INTEREST

- although members may be appointed to the Board as a representative of an interest group or region, they should hold the same duties to the Board even when those duties conflict with the wishes of the interest group or region.

In addition to these common elements, the ethical guidelines discussed below will help prevent members avoid a conflict of interest.

Disclosure

Full disclosure of information enables members to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty can arise.

Disclosure is the act or process of disclosing or revealing.

With respect to disclosure, the following principles should be followed:

- a member should, immediately upon becoming aware of a potential conflict of interest situation, disclose the conflict (preferably in writing) to the Chair; (This exists even if the member does not become aware of the conflict until after the fact).
- if a member is in doubt whether a situation involves a conflict, the member should immediately seek the advice of the Chair;
- if appropriate, seek advice from legal counsel;
- unless a member is otherwise directed, a member should immediately take steps to resolve the conflict or remove the suspicion that it exists;
- if a member is concerned that another member is in a conflict of interest situation, the member should immediately bring his or her concern to

the other member's attention and request that the conflict be declared;

- If the other member refuses to declare the conflict, the member should immediately bring his or her concern to the attention of the Chair. If there is a concern with the Chair, the issue should be referred to the committee that deals with governance issues; and
- a member should disclose the nature and extent of any conflict at the first meeting of the Board after which the facts leading to the conflict have come to that member's attention.

For more disclosure guidelines, please refer to the Guide to Corporate Governance.

Code of Conduct

A Code of Conduct helps guide the Board in its stewardship and oversight responsibilities. A Board should create, adopt and follow a Code of Conduct and Ethics for its organization. Indirectly, the Code provides guidance to staff on how to conduct itself and make decisions.

Developing, adopting and adhering to a Code of Conduct and Ethics contribute to a Board's good governance. A Code of Conduct and Ethics in the Saskatchewan health sector needs to be in compliance with *The Interpretation Act*, *The Regional Health Services Act* and *The Cancer Agency Act*. The term "Code of Conduct and Ethics" is used in a broad sense that addresses the following issues:

- standards of behaviour, including fiduciary responsibilities and duty of care;
- avoiding and reporting of conflict of interest, including both material interest and representation group interest;
- the obligation to report to the Board any breach of the Code of Conduct

SECTION SEVEN: CONFLICTS OF INTEREST

- and Ethics, or any illegal or unethical behaviour;
- the protection and proper use of the Board's assets and opportunities;
 - maintaining confidentiality of information obtained through the member's role; and
 - compliance with legislation and regulations.

For more information on how to create a code of conduct and ethics, please refer to the Guide to Corporate Governance

Ethical Conduct

Since a Board primarily acts as a steward in its oversight of organization functions, Board members are expected to act ethically and adhere to the following guidelines:

- members should act at all times in full compliance with all applicable legislation and regulations;
- a member should not use his/her position on the Board to pursue or advance the member's personal interests, the interests of his/her family member or relatives, the member's associate, corporation/organization, union or partnership, or the interests of a person to whom the member owes an obligation;
- a member should not directly or indirectly benefit from a transaction with the Board over which a member can influence decisions made by the Board;
- every member should avoid any situation in which there is, or may appear to be, potential conflict which could interfere with the member's judgment in making decisions in the best interest of the Board;

- after members cease to serve on a Board, they must refrain from taking improper advantage of their previous membership; and
- every Board should have a policy governing the circumstances in which a member is authorized to speak publicly, where such public comment could be perceived as an official act or representation of the Board.

Unless a policy states otherwise, the Board Chair acts as the spokesperson for the Board. Members should not speak publicly where their comments are likely to bring the Board into disrepute or adversely affect its services/programs/activities.

Expectations of Board Members

Members of RHAs should be prepared to meet regularly, usually once per month. Members are expected to participate in Board training and education sessions. Boards may strike subcommittees on particular issues and members should be prepared to participate.

Below is an example of some of the other expectations of Board member conduct. These expectations are to be reviewed with each Board member prior to appointment:

- comply with applicable legislation/regulations;
- follow the Code of Conduct and Ethics set out by their organization;
- adhere to the Board's mission, vision and values;
- work positively, co-operatively and respectfully with other members and with the management and staff;
- read all of the material for discussion in advance and participate actively and effectively at Board and committee meetings;

SECTION SEVEN: CONFLICTS OF INTEREST

- keep informed about matters relating to the organization, the community served, and other healthcare services provided in the health region;
- participate in the Board activities including evaluations and ongoing education;
- disclose to the Board any information the member might obtain that could be considered material to the Board's business or operations.

This is not an exhaustive list of how Board members are expected to conduct themselves. For additional information, please refer to the *Guide to Corporate Governance* or contact your Board Chair.

SECTION EIGHT

BOARD MEETINGS

Committees

In any governance model, Boards are encouraged to establish committees at the Board level. The main benefit of committees is that specific committees allow Boards to focus on and oversee matters of particular concern.

However, it is not suggested that all Boards take a cookie cutter approach to establish all the committees introduced below. A Board may establish other committees on the basis of its perceived need. The Board should use committees that are appropriate to individual Board's specific needs and circumstances. Utilizing committees is an effective best practice of corporate governance.

The four most common core committees that are applicable to the Boards are:

- Finance;
- Audit;
- Governance/Nomination; and
- Human Resources.

Each committee is a standing committee and good governance suggests that each committee have terms of reference detailing the committee's structure, composition and responsibilities.

Committee Membership

The size of Board committees may vary and depends upon the committee responsibilities. The size of the committee should enable the committee to:

- function efficiently;
- encourage participation; and
- have appropriate representation of knowledge and experience.

Generally, a committee size of three to six individuals is sufficient to accomplish these objectives.

Committee membership typically consists of only Board members. This does not preclude Boards from having senior management teams or other resources to assist Board committees with their work. Committees, from time to time, may include experts from outside/management to provide advice on specific issues. However, these individuals do not vote.

The Chair and membership of individual committees are recommended by the Board Chair and confirmed collectively by the Board. With prior approval of the Chair committees have the authority to engage consulting advice and independent counsel.

Types of Committees

Below are examples of typical committees of the Board. For more descriptions about each of the committees, please refer to the *Guide to Corporate Governance*.

Executive Committee

In the past Boards often chose to appoint an Executive Committee and granted it the power to exercise the authority of the Board in the management of the business and affairs of the Board in between regular Board meetings. However, current governance practices show that an Executive Committee is no longer an accepted practice since it is important that all Board members have access to the same Board information, and that the conduct of Board business is open and transparent.

Finance Committee

The goal of the Finance Committee is to recommend financial objectives and policies to the Board, ensure preparation of the annual

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budget and operational plan for Board approval, monitor financial performance against Board-established indicators and recommend corrective action as required in relation to financial performance.

The following are common responsibilities of a Finance Committee:

- examine the budget methodology and recommend the operating budget;
- review planned expenditures and recommend annual capital budgets;
- review and recommend major tenders or contracts;
- recommend investment guidelines and receive annual information on investment performance;
- ensure the Board receives timely, meaningful reports on its financial situation including up-to-date forecasts of year-end results.

Audit Committee

The Audit Committee assists the Board in fulfilling its financial accountability and oversight responsibilities. The committee achieves this by reviewing the financial and performance information provided to stakeholders, monitoring the systems of internal controls set by management and Board plus overseeing the internal/external audit processes.

Typically, the Board Chair sits on the Audit Committee and all members of the Audit Committee are independent and financially literate.¹ Some of the responsibilities of the Audit Committee include:

- review and approve the financial information to be provided to

stakeholders and ensure information is accurate and accurately represents the organization's activities;

- review and approve risk management and internal control systems;
- recommend appointment and compensation of the external auditor;
- work with the auditor to define the audit purpose, formulate and approve the audit plan, and review audit results; and
- evaluate the need for an internal audit function

Governance/Nomination Committee

The Governance/Nomination Committee is tasked with devising and recommending governance principles and policies. This committee also serves as leadership for all matters of corporate governance for the Board.

The Governance/Nomination Committee typically has the following responsibilities:

- develop member selection criteria for Board membership as a whole and specific vacancies;
- identify and evaluate potential candidates to be recommended to the Board for appointment or re-appointment;
- develop a plan and process for the long-term renewal of its membership;
- manage Board, committee, and Chair performance evaluations;
- review the skills and experience required by the Board;
- review the relevance of individual committees and committee terms of reference;
- ensure appropriate Board orientation and

¹ Here, “independent” means having no material direct or indirect association with the organization; and “financially literate” means that the member has the ability to read and understand a set of financial statements which present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the organization’s financial statements.” (From: Board Resourcing and Development Office of the Premier, Province of British Columbia. (2005) *Best Practice Guidelines: BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations.*)

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- professional development; and
- provide oversight to the Code of Conduct and ethics.

Human Resources Committee

The following are primary responsibilities of Human Resources Committees:

- oversee the evaluation and compensation of the CEO;
- develop CEO performance objectives together with the CEO, the Chair and the Board;
- ensure the organization has a sound plan for management succession; and
- ensure that the organization has appropriate human resources and compensation policies.

In Saskatchewan's health system, the compensation of a regional health authority CEO is subject to Ministry of Health policies. Therefore, when a new CEO is being recruited, the Human Resources Committee must ensure conformity with the Ministry policies in this area, and that the Board has appropriate human resources policies that are consistent with and supportive of the provincial direction.

Ad Hoc Committees

At times, a Board may wish to establish time-limited committees to deal with specific matters that are a Board priority at a particular time. For example, an ad hoc Capital Project Committee may be required to oversee construction on a time-limited basis.

Relationship Between the Board and Committees

Committees should support and advance the work of the Board and the Board should control and coordinate its committees.

If a Board does not control its committees, its committees will control the Board.

If various committees are working toward different directions or agendas and focusing on wildly different levels of detail, it is almost impossible for a Board to govern effectively and efficiently.

Board meetings should address only those items that are critical to fulfilling the Board's strategic goals and objectives

Board meetings should focus on those issues that are critical to fulfilling the Board's strategic goals and objectives rather than on focusing on day-to-day operations. Optimally, meetings should be conducted with an agenda that is structured in a manner that helps effectively and efficiently focus members' attention and time on the most important issues.

Generally, the Chair works with the CEO to determine the agenda items for the meeting. Agenda items may also come from the following sources:

- forwarded by medical staff;
- based on Board's annual objectives; and/or
- as a result of Board committee work.

In considering potential agenda items for a regular Board meeting, it is essential to question whether the Board should even be dealing with a particular issue. Ask "is this issue the board's responsibility? Or should it be handled by management?" *The Board should address only those items that are critical to fulfilling the Board's functions* and if the Board can add substantial value to the issue. Furthermore, issues dealt at the committee level do not need to resurface at the Board level unless the topic warrants discussion with all Board members.

SECTION EIGHT: BOARD MEETINGS

Regular and transparent Board meetings are necessary to facilitate good governance.

Special Board Meetings

At times, an issue will arise that will require the attention of the Board prior to the next regularly scheduled meeting. If this occurs, the Chair will call for a special meeting of the Board and the Board secretary will, upon direction from the Chair, convene the meeting.

Special meetings of the Board will be conducted in accordance with the Board's general bylaws. Questions of other procedures at both regular and special meetings of the Board should be determined in accordance with the rules of order established by the Board.

In-Camera Meetings

If a Board meeting moves in-camera, everyone other than the members of the Board are expected to leave. The Board may choose to invite a particular person (the CEO perhaps, or other senior management) or a delegation to attend an in-camera session. A Board may hold a meeting or part of a meeting in private, if in the opinion of the Board, holding a meeting or part of the meeting would reveal information relating to:

- proposals for contracts or negotiations or decisions with respect to contracts;
- plans or proposals of the Board involving future budgetary decisions;
- reveal information relating to risk management issues or patient care issues;
- reveal information relating to collective bargaining or human resource management issues;
- prejudice any security measures undertaken by the Board; or
- fall within the scope of any other prescribed circumstances.

There are three types of motions that may be passed while the Board is in-camera.

They are:

1. a motion respecting the minutes to be kept of in-camera discussions;
2. a motion to revert to out of camera; and
3. a motion to recess.

All other motions must be passed during the public-portion of a Board meeting.

While in-camera, the Board may only discuss the issues cited in the motion to go in-camera, which should align with the in-camera items listed on the meeting's agenda. It is not appropriate for the Board to introduce new topics during an in-camera session. To do so may be perceived as being secretive, regardless of the Board's intentions. This highlights the importance of preparing a well-planned agenda in advance of the meeting, with enough time for Board members to review the proposed items.

Members should remember that even though these meetings are held in private, a level of discretion should be utilized and maintained. There is always the potential that the discussion could leave the room; thus, member conduct at these meetings should not be any different from that of a meeting open to the public. In other words, in-camera meetings are not an opportunity to depart from good meeting behaviour.

Board Meetings Without Management Present

It is a commonly accepted practice for members of a Board to meet regularly without the CEO or other management representatives in attendance. This type of meeting is customarily held at the end of a regular Board meeting and allows Board members to explore freely any issues they wish to raise privately. At the end of every such meeting, the Chair should give the CEO/management

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feedback on the contents and results of the discussion.

Member Participation

For meetings to be effective, Board members should be able to contribute to the discussions. Board members can achieve this by:

- taking adequate time to review the information provided and prepare for meetings;
- participating actively at the meetings;
- attending regular, committee and special Board meetings punctually;
- missing no more than three regular scheduled meetings of the year and no more than three scheduled committee meetings for the year, unless specifically excused by a motion of the Board; and
- notifying the Chair of all regrets no later than three working days prior to the meeting to ensure there are enough members to form a quorum.

Dialogue Versus Debate

Effective discussions consist of dialogue rather than debate. There are differences between the dialogue and debate. Debates involve the presentation and defending of different views. There is no exploration for assumptions and the end goal is a declaration of the right answer.

In contrast, a dialogue is an exploration of issues and comprehension of assumptions. The advantages to having a dialogue include: team learning, development of trust, and cultivation of alignment within the organization. Having an open attitude and asking questions contributes to effective dialogue:

- why (this way)?
- is there a better way?
- what are the alternatives that were considered and dismissed?
- what do you like most/least about it?
- what would you change if you could?
- why are you/we doing this?
- what do you think/recommend?
- what are the risks?
- what should we stop doing?
- how might we...?
- what is stopping us?²

By asking questions, individuals attempt to gain more information so as to understand the issue. In turn, this allows the Board to make a more informed decision. The Board has the right to ask for more information from others if they feel insufficient information was provided or if further questions need to be answered.

Information Presentation & Assessment

The Board is responsible for determining the flow of information and the sharing of information with others. It is extremely important that the minutes of a Board meeting reflect an accurate recording of the discussion and actions taken at the meeting.

Having clear decision-making processes and meeting minutes will contribute to the transparency of the Board and organization. Having transparency within an organization allows for others outside of the organization to see what is really occurring on the inside. Ultimately, this action fosters the development of trust between the organization and its stakeholders.

² Bart, Dr. C. The Directors College. *Communicating more effectively through "dialogue": a new way of interacting.*

SECTION EIGHT: BOARD MEETINGS

It is important to remember that actions of the Board are not effective unless they are authorized or adopted by resolution or bylaw at a proper Board meeting. Along with this, any action of a Board committee is not effective unless it is authorized or adopted by a resolution at a properly constituted meeting of the Board or

Board committee. No meeting can be held and no act of the Board is valid unless it has been adopted at the meeting of the Board where a quorum is present. A quorum is the majority of the members of the Board, not counting vacancies.

SECTION NINE

BOARD EVALUATION

Evaluation is part of the whole cycle of corporate governance. Typically, Boards have formal processes for evaluating the performance of the Board as a whole, Board committees, Board chair, Board members, and the CEO. Evaluations help fulfill the Board's responsibility to whom it is accountable.

It is important to remember that assessment and evaluation processes exist first to aid individuals and only second to highlight performance shortfalls.

Value Of Evaluation

Evaluation provides the Board with information about what is working well and what needs improvement. Evaluation also presents information about whether the Board, its members, or the committees have adequately performed its roles and fulfilled its responsibilities (i.e. strategic planning, budgeting, evaluation, risk management).

Boards can also assess the adequacy of Board or committee operations and decision-making processes (i.e. adequacy of information, committee structure, Board composition, adequate discussion time, etc.). Additionally, evaluation helps assess the effectiveness of the Board or of a committee.

Some of the benefits of evaluation are the opportunities it provides to:

- highlight successes;
- learn what processes are working well;
- identify and implement changes to areas requiring improvement;
- self-improve;
- inform Board renewal;
- change policies or practices; and
- inform reallocation of resources

Board, Board Member & Committee Evaluation

Boards, their members and their committees are usually evaluated against the criteria set out in the Board Charter and/or their terms of reference such as position statements.

The underlying principles and approaches of evaluation are the same for Boards, Chairs, individual Board members and Board committees. In all cases, the scope and nature of the review (i.e. how individuals will be evaluated and against what standards/objectives) is defined before any data is collected. In addition to formal evaluations, periodic informal evaluations are recommended to avoid any surprises for the individual being reviewed.

Performance expectations should be clear, align with the organization's mandate and strategic plan, and focus on the direction of the organization. The statements upon which the Board or its members will be evaluated against should be specific and measurable, not general statements that could cause confusion.

For more information and a sample template, please refer to the Board Evaluation Tool.

CEO Evaluation

A Board has many roles including providing strategic direction and leadership for the organization. Since the responsibility to manage the organization is delegated to the CEO, the Board also has an important duty to ensure that the organization has effective executive management. This includes: recruiting and hiring the CEO, setting expectations as defined in the employment contract, job description and the annual goals and objectives of the organization, and evaluating the performance of the CEO. The monitoring and evaluation of the CEO's performance is one of the Board's most critical functions.

SECTION NINE: BOARD EVALUATION

CEO evaluation contributes to a Board's responsibility in recruiting and hiring the CEO. During recruitment, a Board typically has specific expectations and goals in mind for a CEO to achieve. These expectations play a role in the recruitment process by shaping the characteristics a Board seeks in the CEO. As such, evaluating the CEO lends support to a measure of the effectiveness of the CEO recruitment process. In other words, did the recruitment process work? Did the Board get what they set out to attain?

Evaluating the CEO provides the Board with additional insight to ensuring the organization has effective executive management. That said, it is important that the CEO evaluation is focused on evaluating performance, not simply on evaluating compliance.

Value of CEO Evaluation

The CEO evaluation is the mechanism by which a CEO performance is assessed. Evaluation provides value to both the CEO and the Board.

Generally, individuals in leadership roles want to perform well and help foster the success of the organization. "Individuals [also] want to know what is expected of them and how they are performing."³ The evaluation enables the Board to communicate goals, praise accomplishments, clarify expectations and outline accountabilities for the CEO.

A well-designed CEO performance evaluation system helps to provide the Board with information about what is working well and what areas need improvement.

Goals of CEO Evaluation

As with Board evaluation, CEO evaluation first and foremost serves the purpose of highlighting successes and only second to highlight performance shortfalls. The main objectives and goals of a CEO evaluation are:

- to appropriately assess CEO performance;
- to link executive performance to the organization's goals;
- to foster CEO growth and development; and
- to strengthen the relationship between Board and CEO.

More specifically, a CEO evaluation process:

- provides a mechanism to assess how effectively the CEO has implemented Board policies and decisions;
- strengthens the congruence between the mission, goals and objectives of the organization and those of the CEO;
- enables the Board to focus activities on the organization's mission and strategic plan;
- communicates Board expectations of the CEO and provides a basis for future CEO performance expectations;
- facilitates coordination and teamwork among the organization's leadership;
- creates a formal system for CEO professional and personal development; and
- establishes parameters for CEO performance that enable the Board to retain, provide constructive feedback regarding CEO professional and personal performance and if necessary, quickly and appropriately terminate the CEO.⁴

³ Canadian Co-Operative Association (June 2007). *Governance Matters: questions the Board should ask about CEO evaluation*.

⁴ Orlikoff J E., Totten M K. (1996). *American Hospital Association (AHA) Trustee Workbook: CEO evaluation and compensation*.

SECTION NINE: BOARD EVALUATION

Overall, when performed diligently, a CEO evaluation can provide input and guidance for the CEO to aid in improving both senior management and organization performance.

For more information and a sample template, please refer to the CEO Evaluation Tool.

SECTION TEN

GENERAL AND PRACTITIONER STAFF BYLAWS

General And Practitioner Staff Bylaws

The purpose of the general and practitioner staff bylaws is to outline the core procedural points that guide and govern the affairs of the organization and the organization and management of practitioner affairs within the health region respectively.

Legislative Framework

Sections 42 and 43 address the issue of general and practitioner staff bylaws respectively.

Ministerial approval is required for:

- (a) general board bylaws of regional health authorities and the Saskatchewan Cancer Agency and:
- (b) practitioner staff bylaws of regional health authorities, the Saskatchewan Cancer Agency and affiliate hospitals

Section 44 provides that both general and practitioner staff bylaws cannot be inconsistent with any guidelines or directions approved by the Minister. To date, model practitioner staff bylaws have been approved for use by regional health authorities, the Saskatchewan Cancer Agency and affiliate hospitals.

Regional health authorities, the Saskatchewan Cancer and healthcare organizations are encouraged to enact general bylaws.

For more information and a sample templates, please refer to *Regional Health Services Policy & Procedures*.

SECTION ELEVEN

BOARD OVERSIGHT ROLES

Oversight Expectations

A key role of the Board is to oversee the performance of the organization, especially in terms of quality of care, financial condition and risk management. The following is a summary of oversight expectations:

- Assess the implementation of the strategic plan and alignment with mission, vision, and values.

- Assess the performance of the CEO through evaluation and results.
- Use performance measures and indicators to monitor quality of care.
- Use performance measures and indicators to monitor financial condition.
- Consider quality of external relationships with key stakeholders, the community and local agencies.
- Assess the Board's own effectiveness through assessment.

| TASK | RESPONSIBILITY | |
|---|----------------|------------|
| | Board | Management |
| Developing a strategic planning process | | ✓ |
| Assessing and approving the strategic planning process | ✓ | |
| Developing the mission, vision, and values (1) | | ✓ |
| Assessing and approving the mission, vision and values | ✓ | |
| Developing the objectives | | ✓ |
| Assessing and approving the objectives | ✓ | |
| Identifying the business arenas | | ✓ |
| Assessing and approving the business arenas | ✓ | |
| Data collection and analysis with respect to the strategic plan | | ✓ |
| Preparing the written strategic plan | | ✓ |
| Assessing and approving the strategic plan | ✓ | |
| Scheduling strategic planning and strategy review meetings | | ✓ |
| Preparing operating plans | | ✓ |
| Preparing budgets | | ✓ |
| Approving budgets | ✓ | |
| Preparing reports on the organization's strategic progress and accomplishment of strategic objectives | | ✓ |
| Monitoring the execution of the strategy and its achievement | ✓ | |
| Approving changes to the strategy as warranted | ✓ | |

(1) While traditional practice generally restricts Board involvement to the assessment and approval of the mission, vision and values, recent research suggest that superior organizational performance and innovativeness occurs when Boards are more active participants in the development of these strategic documents.⁵

⁵ Dr. Chris Bart, *20 Questions Directors Should Ask about Strategy*, The Canadian Institute of Chartered Accountants, Toronto, Ontario (2003), p12

SECTION TWELVE

STRATEGIC OVERSIGHT

What is Strategy?

Strategy is a plan for how specific goals will be achieved. It is planning that looks at the big overall picture of the organization. Strategy includes strategic planning and strategic management. Strategic Planning is a lengthy process (usually six to eight months) that achieves:

- defining specific goals and success for the organization; and
- policies, framework and approach for achieving those outcomes.

Strategic management (strategic oversight) involves overseeing the strategic planning process of formation, implementation and evaluation.

Strategic planning and strategic management are interconnected but responsibility for each is divided between the Board and senior management.

Strategic Oversight

The Board's role is primarily about strategic oversight. But before we discuss this role, some further explanation of strategic oversight is needed. In general, strategic oversight consists of:

- setting the mission, vision and values of the organization;
- setting strategic directions; and
- approving major decisions.

Mission, Vision and Values

Mission: the mission of the organization is a broad, brief description of the organization's purpose. The statement concisely explains what the organization does, who it serves and why. Essentially, the mission statement explains why the organization exists.

Vision: the vision of the organization is a short statement (usually a sentence or two) that covers the medium and long-term picture of the organization. The vision statement describes the organization's strategic direction and what it hopes to achieve over a defined period of time.

Values: the values of the organization are outlined in a series of value statements. These statements explain the basic fundamental principles upon which the organization operates.

Strategic Direction

The strategic direction is the future plan or initiatives of the organization over a defined period of time.

A strategic direction looks at the current organization's vision and then defines a new medium-term (three to five years) vision statement. The strategic direction defines principles and/or initiatives, which guide resource allocation and investment.

Ideally, the initiatives are an action, which can be measured. This way the board can set indicators, measure and monitor targets and know when success has been achieved.

Approving Major Decisions

Decisions may impact the strategic direction of the organization so it is necessary that the Board is aware of the big picture and understands how decisions affect that big picture over the long-term.

The Board is responsible for approving major decisions that affect the organization.

It is important to note that this does not mean the Board should be involved in the day-to-day decision-making or operational issues. Day to day decision-making is the responsibility of management and the Board should have confidence in management's ability to make

SECTION TWELVE: STRATEGIC OVERSIGHT

sound decisions that are in the best interest of the objectives (short-term and long-term) of the organization. It is the Board's responsibility to ensure that the CEO and senior management understand the strategic direction of the organization.

The Board's Role in Strategy

The Board plays the principle role in strategy via strategic oversight. The Board guides the organization's activities through developing mission, vision and value statements and setting the strategic direction.

Management translates the board's organizational direction by developing operational plans, policy options, appropriate reports and managing operations consistent with board policy.

Within Saskatchewan's healthcare system, Boards provide strategic leadership and direction by establishing the vision, mission, and values in accordance with the provincial strategic direction.

Strategic Planning Process

The Board does not conduct the strategic planning process; rather, the Board delegates this responsibility to management. It is up to the Board to ensure that strategic planning is conducted.

The Board approves the strategic planning process (including any steering committees) so that they have an understanding of how the strategic plan will be formed.

Management is responsible for conducting research, developing policies, and writing the strategic plan. However, the Board is engaged at key points throughout (i.e. during formation of strategic directions) and is updated at board meetings on key findings. The Board reviews a draft of strategic plan and suggests modifications where necessary. Ultimately, the Board approves the strategic plan.

Upon plan approval, management is responsible for implementation. The Board's role is to monitor implementation, annually review the strategic plan and recommend adjustments as needed.

SECTION THIRTEEN

FINANCIAL OVERSIGHT

Understanding Financial Oversight

Governance responsibilities for financial oversight can be summed according to the following broad principles:

- Understanding the business of the organization;
- Approving the strategic plan;
- Monitoring performance against the strategic plan;
- Monitoring changes in the business environment;
- Reviewing and approving financial policies;
- Reviewing and approving financial disclosures; and
- Approving and communicating major business decisions.⁶

The Board is expected to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable

circumstances. Personal knowledge of financial oversight can be gained through education and building relationships to better understand the nature of operations. In the context of healthcare, this includes an understanding of:

- organizational strategies;
- performance measures and key factors that can significantly influence the results;
- the financial implications of significant internal and external issues, major actions and policy alternatives; and
- the risks and rewards associated with management's proposals for major expansion or contraction of the organization.⁷

Building a direct relationship with the Chief Financial Officer (CFO) is a useful way to access the financial information needed to support key decisions and actions. The CFO can also help with orientation, development and monitoring of strategy, reviewing and approving financial disclosures, and report presentations.⁸

⁶ Hugh Lindsay, *Financial Aspects of Governance, What Boards Should Expect from CFOs*, The Canadian Institute of Chartered Accountants, Toronto, Ontario (20034), p 4

⁷ Hugh Lindsay, *Financial Aspects of Governance, What Boards Should Expect from CFOs*, The Canadian Institute of Chartered Accountants, Toronto, Ontario (20034), p 4-5

⁸ Hugh Lindsay, *Financial Aspects of Governance, What Boards Should Expect from CFOs*, The Canadian Institute of Chartered Accountants, Toronto, Ontario (20034), p 15

SECTION FOURTEEN

RISK OVERSIGHT

Understanding Risk

It is important for Boards to understand what kinds of risk exist in the organization and what mitigation strategies are in place to appropriately respond to and deal with the identified risks. The process of identifying, mitigating and managing risk is known as risk management or enterprise risk management.

There are two components to risk management: sources of risk and strategies to mitigate or manage risk.

Sources of Risk

A risk is viewed as exposure to loss or hazard. Risks are created by internal or external activities or events. The greater the loss (severity) and the more likely the event will occur (probability) the greater risk will be.

Organizations are liable for such things as employees, patient safety and protection, privacy of information, facilities, equipment, processes and protocols. Liabilities can arise from things such as negligence or contractual obligations. In healthcare, a major risk for Boards is the quality of patient care.

Managing and Mitigating

Some risks are avoidable while others are not. However, many risks that are not avoidable can be controlled or minimized. An organization can respond to risk by:

- avoiding the risk;
- changing the likelihood of a risk occurring;
- changing the severity of the risk;
- sharing the risk;

- retaining the risk; or
- optimising the opportunity.

Risk governance is a balance between the Board and management roles.

How a board handles a risk when it happens is important. Therefore, the Board and the organization should be well prepared with action plans and communication strategies when a risk event does occur.

Risk Governance

One of the best ways to manage risk is to ensure the Board operates in accordance with good governance principles. This means first and foremost, Board members are knowledgeable about their governance roles, their oversight responsibilities, and their duties, and have the skills required for the Board.

Boards have a duty to ensure they receive the correct information so they can recognize and assess risks at an early stage. As discussed in Section Nine, it is up to the Board to ensure they are receiving the appropriate information needed to make sound decisions.

It is the role of the Board to identify risks and to ensure that plans are in place to mitigate and manage risks by asking necessary questions and ensuring proper risk management policies and strategies are in place.

At a minimum, Boards should ensure the following are in place for managing risk:

- a sound risk management plan;
- quality management;
- contingency planning;
- infection control policies; and
- ensure staff receive current training and education

SECTION FOURTEEN: RISK OVERSIGHT

Part of good risk governance is being aware of the type of risks facing the organization. A board can delegate to management to conduct a risk assessment process. This process consists of:

- risk identification;
- risk assessment;
- implementation of risk control plans;
- inform and communicate plans; and
- monitor the risks.

SECTION FIFTEEN

QUALITY OVERSIGHT

Health care boards are being held accountable for performance in quality and safety by government, by patients/clients/ residents and the public at large. There are general principles to guide boards in their role to maintain quality oversight.

“Some boards have developed a habit of assuming that clinical staff will take care of quality – that it is not the board’s responsibility – and that their responsibility as a fiduciary is fiscal. But that is incorrect – boards need to be as close to quality issues as they are to financial issues.”

Donald M. Berwick, M.D., M.P.P.

Accreditation Canada is a leader in raising the bar for quality in health.

The mission of Accreditation Canada is to drive quality in health services through accreditation. Organizations across Canada and internationally examine and improve the quality of service they provide to their patients and clients by working through the accreditation process.

Accreditation Canada Governance Standards include the following:

- Make client safety part of the governance and strategic planning process;
- Ensure active participation of all players in developing a strategic plan;
- Ensure all sites monitor progress in achieving vision, goals and objectives of strategic plans;
- Ensure clear accountability and reporting relationships;
- Service agreements exist with affiliates or contracted providers;

- Ensure comprehensive quality and risk management programs with clear accountabilities for reporting;
- Identify risks to the organization;
- Promote ongoing quality improvement;
- Review frequency and severity of adverse events;
- Analyze incidents to identify trends and opportunities for improvement;
- Set goals to reduce harm and improve client safety; and
- Monitor system level measures of client safety (for example, surgical infection rates).

How do Boards make Quality Real?

The Board drives change by holding management, staff and physicians accountable so that the Public has full confidence in the health services delivered by the health sector. The Public should expect the best possible health care services are delivered. Quality and safety should be inherent in the culture of the organization.

Recruiting board members who have health and quality experience, knowledge and skills is an asset to helping the board understand quality and safety as a critical corporate governance issue. This includes an understanding of national trends in health care quality and a continued engagement in learning.

Fostering a culture of quality and safety is a journey where culture is the inherent force in driving the organization to a higher level of quality and safety. Such a just and trusting culture is established through a commitment to no “naming, shaming, or blaming” and the use of positive language during discussions of errors. Both errors and near misses (good catches) can be seen as opportunities for system improvement.

SECTION FIFTEEN: QUALITY OVERSIGHT

Accountability structures ensure direct accountability of the board, senior management, physicians, and front line staff. Specific quality and patient safety goals can be set as prominent components of strategic plans. This ensures that quality and safety services are a visible priority and a focus of board activities, especially when the board actively participates in the development of quality and safety goals and holds the CEO accountable for the set goals.

Budget and financial resources should also show alignment with quality and safety goals.

Risks to patient safety and plans for reduction of risk should be identified and aligned with the strategic plan. This will ensure that the board knows what the risk sources are, what critical events are occurring in the organization, and what progress is being made toward risk reduction.

Similarly, performance measures, such as a Dashboard, should be set to show how strategic goals are being met. These measures should include aims for improvement of quality. The board can hold management, staff and physicians accountable for set performance measures.

Management, staff and physicians should be prompted to actively engage in quality and safety initiatives wherever it is appropriate. For example, involvement might be through inclusion in strategic planning and goal setting, medical by-laws, corporate policies (for example, disclosure), and accountability for their competence and performance.

It is important for a board to determine how effective the organization is at fulfilling quality and safety responsibilities. Accreditation Canada is an example of an external review. External, objective bodies with expertise in governance, quality and safety, peer review (review of other organizations) or use of self-evaluation tools are also good ways to determine effectiveness.

SECTION SIXTEEN

TOOLS FOR EFFECTIVE DECISION MAKING

Making Effective Decisions

In reviewing documents, such as a strategic plan or management reports, a Board should consider the following:

- are the assumptions reasonable?
- are the recommendations clear and make sense?
- what are the alternatives?

A Board can answer these questions by having a standardized process for how a decision item is presented to them.

It is the Board's responsibility to ensure the information they receive to base a decision upon is inclusive.

Boards need to be confident in their decisions and satisfied that they received sufficient information to make an effective decision. If the board feels that the information provided is insufficient, then the board can defer the item and request more information.

A standard decision-making process helps ensure that the necessary information is collected and appropriate topics or concerns are addressed. The nature of information presented to a Board should:

- show any projections;
- enable comparisons between planned results or benchmarks;
- be short and easy to read;
- provide a brief synopsis of the issue, the proposed solution and how the solution addresses the issue;
- clearly identify options and their implications;

- describe outcomes of consultations;
- provide analysis of the recommendation; and
- provide a strategy for communicating the decision;

Benefits to Decision-Making Tools

Having a standardized method for decision making:

- encourages more holistic policy development;
- fosters broader consultation and policy development;
- strengthens planning for implementation and communication;
- provides documentation CEO/Chair can use to provide direction to senior management;
- provides CEO and committees with the detailed information they need to analyze proposal and make recommendations to the Chair and Board members;
- provides a record of the history and intent of the policy that can be used in future policy development; and
- provides the Chair and CEO with a record of the policy analysis.

For an example of a standard decision-making tool, please refer to the Board Decision Item document in *Corporate Governance Tools*.

When is a Decision Important?

The Board's role is the big picture of the organization and to make decisions that affect the strategic direction of the organization. That said, not all Board decisions require extensive consultation and analysis. However, a Board may wish to use a decision-making tool for the following situations:

SECTION SIXTEEN: TOOLS FOR EFFECTIVE DECISION MAKING

Policy Requests

- to develop, amend or clarify a policy position, if the change is from current practice; and
- to obtain a decision before negotiating major agreements in order to determine the principles and parameters of the negotiations.

Program Requests

- to develop, make non-administrative amendments to or delete existing programs;
- that reflect changes in the health service provided or available to the public; or
- that requires an indefinite commitment of resources.

Resource Requests

- for incremental funds; or
- if the CEO/chief financial officer needs resources beyond those provided in the budget.

Politically Sensitive Changes

- if the changes have major political implications - particularly if they are controversial or likely to generate media attention.

Implementation Requests

- requests for approval of implementation plans or communication strategies.

Other Tools

Key Questions

A Board is expected to ask questions to help define issues and gain a clear sense of the facts. This helps the Board fulfill its due-diligence role. Key questions are particularly useful if a prepared decision item has not been provided.

Examples of key questions are listed below. For more key questions, please refer to the “Board Decision Item Summary Guide” in *Corporate Governance Tools*.

Defining the Issue and Alternatives

- is this an issue to be dealt with at the board level?
- what are the assumptions?
- what are we trying to solve or accomplish?
- is the proposal consistent with the organization’s mission, vision and values?
- what are the risks, advantages and consequences?

Stakeholders

- who is involved? who is affected? and how?
- who has been consulted?
- what is our relationship with affected stakeholders? Will this help or hinder implementation of the recommendation?
- what does our action suggest to stakeholders?

Implications

Specific Groups

- what areas/communities in the will be affected? how?
- what will be the effect on clients/patients?

Policy

- how does the proposal fit current priorities and objectives?
- what is the effect on the strategic plan, operational plan or other plans?
- which departments, programs, services will be affected? how?
- what are the short and long-term implications?

SECTION SIXTEEN: TOOLS FOR EFFECTIVE DECISION MAKING

Internal/External

- how does this affect other organizations in the health system?
- are there opportunities for reducing overlap and duplication?
- how have other organizations approached similar issues?

Legal/Political

- what are the legislative and legal dimensions of the issue?
- what are the major political sensitivities?
- how does this proposal fit with provincial strategic direction?

Financial

- what is the magnitude of funding needed and how will the proposal be funded?
- is the funding one-time or reoccurring?
- will there be any new sources of revenue, increases or decreases in existing revenues?
- what similar initiatives are, or have been funded?
- are there already initiatives to achieve similar ends in place?

Human Resource

- how will the proposal affect for existing jobs and employees?
- how will the initiative affect the recruitment and retention?
- are there collective agreement, bargaining considerations?

Looking ahead

- What has been done previously? Was it successful? Why or why not?
- How will the proposal impact the future of the organization?
- How will we know if the problem has been solved? How will we know if the opportunity was successful?

- What arrangements, if any, will need to be made to support the recommendation?

SWOT

A SWOT analysis is an effective strategic tool that supports decision-making. SWOT takes a closer look at an issue/option in the context of the internal and external environment.

A SWOT analysis helps a Board understand the framework of a situation and the potential for the future.

The analysis helps find a solution that best utilizes the organization's capabilities (i.e. strengths and resources) in line with the external environment (threats and opportunities). Ideally, the chosen recommendation takes advantage of the organization's opportunities by using its strengths and guards against threats by avoiding them or correcting or compensating for the organization's weaknesses.

SWOT represents Strengths (S), Weaknesses (W), Opportunities (O) and Threats (T).

| | | | |
|----------------------|---------------|------------|--------|
| External Environment | Threats | Confront | Avoid |
| | Opportunities | Exploit | Search |
| | Strengths | Weaknesses | |

Internal Environment

- A **strength** can be a resource which the organization can use to achieve its objectives;
- A **weakness** is a limitation, fault, or defect in the organization that will keep the organization from effectively achieving its objectives;

SECTION SIXTEEN: TOOLS FOR EFFECTIVE DECISION MAKING

- An **opportunity** is a favorable situation in the organization's environment. It is usually a trend or change of some kind or an overlooked need that increased demand for a service and permits the organization to enhance its position by supplying it; and
- A **threat** is an unfavorable situation in the organization's environment that is potentially damaging to its strategy. The threat may be a barrier, a constraint, or anything external that might cause problems.

To begin a SWOT analysis, key facts about the organization and its environment need to be collected. This includes facts about the organization's objectives, competition, financial resources, facilities, employees, management, environment setting (e.g. technological, political, social economic trends), history and reputation. The collected data is then evaluated to determine whether the facts are strengths, weaknesses, opportunities or threats for the organization.

ROLES AND EXPECTATIONS OF THE MINISTER OF HEALTH AND SASKATCHEWAN'S REGIONAL HEALTH AUTHORITIES AND HEALTH CARE ORGANIZATIONS



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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Clarifying Expectations:

The purpose of this document is to further clarify the relationship between the Minister of Health (Saskatchewan Health), regional health authorities and health care organizations by providing greater definition around the roles and responsibilities of each. It discusses the expectations in relation to the following key areas:

- 1.0 Strategic Planning
- 2.0 Fiscal Management and Reporting
- 3.0 Relationships
- 4.0 Quality Management
- 5.0 Monitoring, Evaluation and Reporting
- 6.0 Management and Performance

The first section discusses the role and responsibilities of the Minister/ministry in relation to these categories. The second looks at the expectations of the regional health authorities (RHAs) in relation to them and will establish the framework for the development of a system to assist RHAs in assessing their performance. The third looks at the expectations of the health care organizations (HCO) in relation to the regional health authorities, and will establish the framework for the development of a system to assist health care organizations in assessing their performance. The list of items identified in the expectations document is not meant to capture all details of the relationship between the Minister, the regional health authorities and health care organizations. It is meant to provide an overview of those areas where greater clarity is required.

This document builds on responsibilities outlined in *The Regional Health Services Act*, as well as other legislation. It attempts to define some of these responsibilities in terms of clear expectations for regional health authorities and health care organizations. The major focus is

on governance expectations of regional health authorities and health care organizations.

In expanding this framework to include health care organizations it is recognized that this sector is composed of a diverse group of organizations that vary significantly both in terms of overall size, budget, staffing and availability of community members to act in a leadership capacity.

There is an expectation that those health care organizations that operate hospitals and special care homes will strive to meet the expectations set out in this document. At the same time, it is acknowledged that the ability of smaller organizations, particularly those in the addictions and mental health sectors, to achieve all of the expectations set out in this document will vary significantly. This is recognized by the Minister and will not be interpreted as a lack of commitment to the ideals that the document strives to set out.

These limitations notwithstanding, regional health authorities and health care organizations are expected to provide quality services that meet or exceed recognized best practices, provincial and/or national standards.

The primary relationship of the board and management of health care organizations is with the regional health authorities. *The Regional Health Services Act* does however recognize that there is an integral relationship between the health care organizations and the Minister, with respect to specific legislative requirements.

Background:

On August 1, 2002, Saskatchewan's 12 regional health authorities came into being with the proclamation of *The Regional Health Services Act*.

The development of larger health regions was the next logical step in improving the delivery

of health care services for Saskatchewan people. In 1993, Saskatchewan was one of the first provinces in Canada to implement a regional model of health care delivery. More than 400 boards, each responsible for a single hospital, nursing home, home care or ambulance service area, were replaced by 32 district health boards and one health authority.

Since 1993, district health boards made considerable progress in integrating different types of services and better co ordinating care for our residents. Difficulties have persisted, however, in planning and co ordinating services across the province. In addition, responsibilities between district health boards and government were never clearly articulated, or understood, often straining the relationship.

The introduction of regional health authorities goes well beyond simply redrawing of boundaries. We ushered in a new relationship between the key players in the health system, with a clear division of authority, and a workable set of rules and expectations for each party.

Defining a New Relationship:

With the creation of the province's regional health authorities, there is an opportunity to more clearly define the responsibilities and expectations for each partner. *The Regional Health Service Act* provides the framework for this new relationship. For instance, the Act strengthens and clarifies the authority of the

Minister of Health to set priorities for the health system. This will mean stronger central direction in key areas of the health care system, including human resource planning, program development, and capital projects. It also means a greater focus on longer-term strategic planning for the health system. At the same time, the responsibilities of regional health authorities to organize, manage and deliver health services are more clearly defined.

At the same time, the Act recognizes that health care organizations have a role to play in the health care system and that the services provided by the health care organizations must be supportive of provincial and regional initiatives.

Within these parameters, the Minister, regional health authorities and health care organizations will work together as partners, to ensure co ordinated, province wide planning for the health system.

Setting out expectations is an important starting point, as we seek to realize our shared vision of "building a province of healthy people and healthy communities". With this document, we are providing a solid foundation for a more effective and co-operative health care system well into the future.

1.0 STRATEGIC PLANNING

| The Minister is expected to: Regional health authorities are expected to: | Health care organizations are expected to: |
|--|---|
| <p>1.1 Establish the overall strategic direction of the health system and to communicate that to regional health authorities.</p> | <p>1.1 Establish vision, mission and values consistent with the strategic direction provided by the province and their respective regional health authority and to establish the directions, key expectations and performance measures for their health region.</p> |
| <p>1.1 Establish vision, mission and values consistent with the strategic direction provided by the province and their respective regional health authority and to establish the directions, key expectations and performance measures for their organization.</p> | <p>Health care organizations are responsible for defining the overall direction for their organization including the establishment of the organizational vision, mission and values. This direction must be consistent with provincial and regional vision, goals, objectives and performance measures.</p> <p>Health care organizations may be requested to provide advice to the Minister in the establishment of the overall strategic direction of the health system. Regional health authorities are responsible for defining the overall direction for their health region including the establishment of the organizational vision, mission and values. This direction must be consistent with provincial vision, goals, objectives and performance measures.</p> <p>Regional health authorities are expected to provide advice to the Minister in the development of health system goals, objectives and performance measures.</p> <p>Health care organizations need to develop evidence-based decision processes that support the on-going effectiveness of the health system in achieving the province's goals and objectives for the system.</p> <p>The Minister is also responsible for defining performance measures, within the context of provincial goals and objectives, against which regional health authorities can assess their performance.</p> |
| | <p>Regional health authorities and other key players in the health system need to develop evidence-based decision processes that support the on-going effectiveness of the health system in achieving the province's goals and objectives for the system.</p> |

1.0 STRATEGIC PLANNING

Health care organizations are expected to:

- 1.2 *Support and comply with legislation, regulations, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system.*

The Minister is responsible for the development of provincial policies that support the strategic direction of the health system. These policies are to be developed in collaboration with the regional health authorities, other health care providers and key players in the health system.

Legislation, regulations and provincial policies set out the framework for health system governance and health service delivery.

The Minister is responsible for providing clarity around the legislative framework.

The Minister is also responsible for regularly reviewing and updating as appropriate the legislation, regulations and policies to ensure that these support the achievement of health system goals and objectives.

The Minister is expected to:

- 1.2 *Support and comply with legislation, regulations, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system.*

Health care organizations may be expected to provide advice to the Minister and/or through the regional health authority in the development of legislation, regulations, provincial policies and Ministerial directives.

Health care organizations must carry out their activities consistent with provincial legislation, regulations, policies and Ministerial directives as well as any applicable regional policies.

1.0 STRATEGIC PLANNING

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: | |
|-------------------------------------|---|--|---|
| | <p>1.3 Develop and identify those intersectoral alliances and/or partnerships that promote the strategic direction of the health system.</p> | <p>1.3 Develop intersectoral alliances and/or partnerships with other organizations.</p> | <p>Health care organizations in conjunction with their regional health authority are responsible for developing effective external relationships that will assist in improving the health within the region.</p> |
| | <p>1.4 Provide clear accountability guidelines and directions to regional health authorities.</p> | <p>1.4 Fulfill their accountability to the Minister of Health.</p> | <p>Health care organizations are accountable to the Minister of Health and their regional health authority.</p> <p>As part of that accountability relationship, they are expected to comply with any directions/guidelines provided by the Minister.</p> <p>Regional health authorities are also expected</p> |
| | | <p>1.4 Fulfill their accountability to the Minister of Health and their respective regional health authority.</p> | <p>As part of that accountability relationship, they are expected to comply with any directions/guidelines provided by the Minister and/or guidelines provided by the Minister and/or</p> |

1.0 STRATEGIC PLANNING

The Minister is expected to:

This will include the development of performance standards in conjunction with the regional health authorities, health care organizations and other health care providers.

to advise the Minister regarding issues that may affect their region's financial position and/or ability to provide services and to advise on options and actions. This is crucial where there are potential provincial impacts.

regional health authority.

Health care organizations are expected to advise their regional health authority regarding issues that may affect their organization's financial position and/or ability to provide services and to advise on options and actions. This is crucial where there are potential provincial/regional impacts.

Regional health authorities are expected to:

The Minister is responsible for ensuring that the health system provides reasonable access to health services that are appropriate, safe, effective, cost-efficient and acceptable to the users and the system.

to advise the Minister regarding issues that may affect their region's financial position and/or ability to provide services and to advise on options and actions. This is crucial where there are potential provincial impacts.

regional health authority.

Health care organizations are expected to advise their regional health authority regarding issues that may affect their organization's financial position and/or ability to provide services and to advise on options and actions. This is crucial where there are potential provincial/regional impacts.

Health care organizations are expected to:

The Minister must also ensure that services are integrated and co-ordinated within and across regional boundaries and provincial programs, and that they contribute to the quality of the overall health system for Saskatchewan, and that they contribute to the quality of the overall health system for Saskatchewan. This will be done in collaboration with regional health authorities.

to advise the Minister regarding issues that may affect their region's financial position and/or ability to provide services and to advise on options and actions. This is crucial where there are potential provincial impacts.

regional health authority.

Health care organizations are expected to advise their regional health authority regarding issues that may affect their organization's financial position and/or ability to provide services and to advise on options and actions. This is crucial where there are potential provincial/regional impacts.

1.5 Ensure the planning and delivery of quality health services.

Regional health authorities are expected to provide advice regarding, and participate in, the planning of health services.

Regional health authorities must ensure that the delivery system in their region provides reasonable access to health services that are appropriate, safe, effective, cost-efficient and acceptable to the users and the system.

Health care organizations may be expected to provide advice to the Minister and/or through the regional health authority regarding, and participate in, the planning of health services.

Regional health authorities must ensure that services they provide are appropriate, safe, effective, cost-efficient and acceptable to the users and the system.

Health care organizations must ensure that the services they provide are appropriate, safe, effective, cost-efficient and acceptable to the users and the system.

Regional health authorities must also ensure that services are integrated and co-ordinated within and across regional boundaries and provincial programs, and that they contribute to the quality of the overall health system for Saskatchewan.

Health care organizations must also ensure that services are integrated and co-ordinated with regional services, and that they contribute to the quality of the overall health system for Saskatchewan.

This expectation applies whether services are delivered directly by regional health authorities or by health care organizations or other providers.

1.0 STRATEGIC PLANNING

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: |
|-------------------------------------|--|---|
| | | <p>Agreements with health care organizations and other providers must include provisions to ensure that health care organizations and other providers are accountable to the regional health authority for the funding received that the services provided maintain standards of care and are in compliance with all applicable legislative and regulatory requirements</p> |
| | 1.6 Determine provincial health service priorities. | <p>Regional health authorities are expected to provide advice on provincial health service priorities.</p> |
| | 1.6 Determine regional health service priorities. | <p>Regional health authorities are responsible for determining health service priorities and expectations within their regions, within available resources, based on the strategic direction from the Minister.</p> |
| | 1.7 Allocate resources for delivery of services. | <p>The Minister is responsible for developing, in consultation with regional health authorities, a transparent and equitable funding methodology, which promotes a match between the total available funding and service expectations.</p> |
| | 1.6 Determine health care organization priorities. | <p>Health care organizations are expected to provide advice to the Minister and/or through the regional health authority on provincial health service priorities.</p> |
| | 1.7 Allocate health care organization resources for delivery of services. | <p>Health care organizations must ensure that they allocate resources in a transparent and equitable manner consistent with the annual agreement with their regional health authority. Health care organizations must also ensure that services are resourced, organized and delivered in ways that</p> |

1.0 STRATEGIC PLANNING

The Minister is expected to:

The Minister is responsible for periodically assessing the effectiveness of the funding methodology in addressing provincial goals and objectives.

manner consistent with their annual service and financial plan. Regional health authorities must also ensure that services are resourced, organized and delivered in ways that reflect their region's health needs, as well as reflecting overall provincial goals and objectives.

Regional health authorities must consult with health care organizations on the allocation of funds to be provided to the health care organization pursuant to an agreement under the Act.

1.8 Provide clear guidelines and directions to regional health authorities regarding the preparation and submission of operational plans.

The Minister is responsible for providing clear guidelines and directions to regional health authorities regarding the preparation and submission their budgets. The Minister will also advise regional health authorities about the criteria and processes to be used in the evaluation of their budgets. Planning parameters and processes will be developed in collaboration with regional health authorities.

1.8 Submit an annual budget within the approved funding.

Regional health authorities are responsible for the development of an budget subject to any Ministerial directives. Budgets are to be delivered within the annual approved funding from the province.

Regional health authorities are expected to develop performance measures that will enable them to report on their performance relative to their annual service and financial plan, highlighting positive results as well as explaining any variations from the plan.

Health care organizations are expected to:

reflect their region's health needs, as well as reflecting overall provincial goals and objectives. Health care organizations are expected to participate in any discussions respecting allocation of funds to be provided to the health care organization pursuant to an agreement under the Act.

1.8 Submit to the regional health authority any information the regional health authority requires to develop its strategic plan, budget or any other related document that the regional health authority may be required to develop from time to time.

Health care organizations are expected to provide to the regional health authority any information the regional health authority requires to develop strategic plan, budget or any other related document.

Health care organizations are responsible for developing performance measures that will enable them to report on their performance. These measures must not be inconsistent with regional health authority practices.

2.0 FISCAL MANAGEMENT AND REPORTING

| The Minister is expected to: Regional health authorities are expected to: | Health care organizations are expected to: | |
|--|---|--|
| <p>2.1 Provide clear guidelines and directions to regional health authorities regarding the reporting of financial, administrative, statistical and clinical information.</p> | <p>2.1 Report on their activities to the Minister.</p> | <p>Health care organizations are required to provide such reports that may be required by the Minister and/or regional health authorities to fulfil their responsibilities to the Legislative Assembly and the people of Saskatchewan.</p> |
| <p>2.2 Co-ordinate the development of processes that support effective fiscal management.</p> | <p>2.2 Safeguard the organization's resources through sound fiscal policies and effective internal controls.</p> | <p>Regional health authorities are responsible for implementing internal controls that will protect their human, information, capital and financial resources.</p> |
| <p>2.3 Provide clear guidelines and directions to regional health authorities regarding the reporting of financial, administrative, statistical and clinical information.</p> | <p>2.3 Report on their activities to the Minister.</p> | <p>Health care organizations are responsible for implementing internal controls that will protect their human, information, capital and financial resources.</p> |
| <p>2.4 Ensure the organization's resources are used effectively and efficiently to support its mission and values.</p> | <p>2.4 Safeguard the organization's resources through sound fiscal policies and effective internal controls.</p> | <p>Health care organizations should also establish processes to assure its internal controls are effective.</p> |

2.0 FISCAL MANAGEMENT AND REPORTING

Health care organizations are expected to:

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| <i>Regional health authorities are expected to:</i> | <p>2.3 Commission an annual independent financial audit.</p> | <p>Health care organizations must annually commission an audit of their financial statements by an independent auditor. Health care organizations must also have mechanisms in place to ensure that either the board of the organization or their CEO follows up and reports back to health care organization on recommendations arising from the annual audit.</p> |
| <i>The Minister is expected to:</i> | <p>2.3 Work with the Provincial Auditor on issues related to financial reporting.</p> | <p>Regional health authorities must annually commission an audit of their financial statements by an independent auditor. Regional health authorities must also have mechanisms in place to ensure that their CEO follows up and reports back to the regional health authority on recommendations arising from the annual audit.</p> <p>Regional health authorities are expected to provide the Minister with financial statements, management letters and any other information and/or reports that provide information on their fiscal position.</p> |
| | <p>The Minister is responsible for maintaining an effective working relationship with the Provincial Auditor to ensure that the financial reporting by regional health authorities is adequate to ensure the Minister can fulfil his/her responsibilities to the Legislative Assembly and the people of Saskatchewan.</p> <p>The Minister is responsible for reviewing and providing feedback to regional health authorities with respect to their financial statement and any other reports provided to the Minister.</p> | <p>Health care organizations are expected to provide the Minister and/or regional health authority with financial statements, management letters and any other information and/or reports that provide information on their fiscal position.</p> <p>The date for submission of the audited financial statements will meet provincial requirements.</p> |

2.0 FISCAL MANAGEMENT AND REPORTING

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: |
|-------------------------------------|---|--|
| | <p>2.4 Ensure that consistent and comparable information is available to regional health authorities to assist them in the performance of their responsibilities related to needs assessment.</p> | <p>2.4 Ensure that the health status and health needs of the population being served are assessed on an ongoing basis.</p> |
| | | <p>2.4 Support the regional health authority in assessing the health status and health needs of the population being served.</p> |
| | | <p>Health care organizations are responsible for assisting the regional health authority in assessing the health status and health needs of the population being served.</p> <p>The assessment of health status and health needs is the foundation of planning. Regional health authorities are responsible for the ongoing assessment of health needs within their regions. This information needs to be incorporated into all aspects of regional planning. Regional health status and information on health needs must be collected and disseminated in a consistent and comparable basis across the province.</p> <p>The Minister, in collaboration with the regional health authorities, is responsible for collecting and co-ordinating the distribution of relevant, comparable information to assist the authorities in carrying out their responsibilities. The assessment of health status and health needs is the foundation of planning. It involves gathering relevant, reliable and valid information from a variety of sources about health status, health determinants, community resources, service utilization patterns and health needs. Consistent and comparable information is required by both the province and regional health authorities to enable them to assess the health needs of the province and individual regions. Working with the regional health authorities, the Minister will collect and coordinate the distribution of relevant, comparable information to assist the authorities in carrying out their responsibilities.</p> |

3.0 RELATIONSHIPS

The Minister is expected to:
**Regional health authorities
are expected to:**

| | | |
|--|--|--|
| <p>3.1 Establish processes for effectively communicating to the public about the health system and how to access services.</p> | <p>3.1 Establish processes for effectively communicating with the public.</p> <p>Regional health authorities are responsible for effectively communicating to the public about their mandate, strategic direction, priorities the services provided by the regional health authorities as well as those provided by health care organizations and any other organization that provides services on behalf of the regional health authority.</p> <p>Regional health authorities must ensure that they have comprehensive and effective communications processes that inform people how to obtain services, how to register concerns, how to deal with health emergencies, etc.</p> <p>The Minister, together with regional health authorities, is responsible for ensuring that the public is aware of the range and type of available health services and how those services can be accessed.</p> <p>Further, the Minister is responsible for working with regional health authorities in the development of strategies that will ensure that regional health authority meetings and related activities are conducted in a clear</p> | <p>3.1 Support the regional health authority in effectively communicating with the public.</p> <p>Health care organizations are responsible for assisting their respective regional health authority inform people about the types of services being provided within the health region.</p> <p>Meetings of regional health authorities must be public, and should be advertised as such, unless a regional health authority determines that public discussion of an issue would impair its ability to carry out its duties or would impact the privacy of an individual. Such exceptions should be rare, since discussions held at a governance level should be appropriate to hold in public.</p> |
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3.0 RELATIONSHIPS

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: |
|---|--|--|
| and transparent manner that fosters public confidence in the health system generally and in regional health authorities specifically. | 3.2 Co-ordinate the establishment of effective community development processes. | All resolutions must be passed during the public portion of a regional health authority meeting. In addition, regional health authority minutes and bylaws must be available to the public for review during the normal business hours of the authority. |
| | 3.2 Establish effective community development processes. | Support the regional health authority's community development activities. |
| | | The development of effective community development processes that support the involvement of health care providers and the public is a key component of the revised health planning and accountability framework. |
| | | As part of their community development processes, regional health authorities are expected to establish effective relationships with stakeholders and their communities. |
| | 3.3 Develop an effective working relationship with the health care organizations in the region. | |
| | | The Minister may provide to regional health authorities community development training and other related resources to assist the regional health authorities in meeting their obligations to develop an effective community development process. |
| | 3.3 Assist regional health authorities in developing effective working relationships with the health care organizations in their regions. | It is important that regional health authorities maintain positive, functional relationships with the boards and staff of health care organizations and with other providers, which they contract with to provide services. This includes involving |
| | | It is important that health care organizations maintain positive, functional relationships with their regional health authorities and their staff in the provision of health services. |
| | | |

The Minister is expected to:

clarity, through legislation and policy, with respect to the respective roles and responsibilities of the regional health authorities and the health care organizations. Day-to-day management of the relationship with health care organizations rests with the regional health authorities. Where regional health authorities and health care organizations are unable to reach an agreement and to resolve their differences through mediation, the Minister is responsible for resolving any outstanding matters and for setting the terms of an agreement.

**3.4 Assist regional health authorities
in developing an effective working
relationship with health care
professionals.**

Through consultative bodies established by the Minister/ministry, the Minister will support processes that encourage the advice, opinions, views and involvement of health care professionals into decisions about the health system.

Regional health authorities

are expected to:

health care organizations and other providers in the operational and financial planning and evaluation activities of the region if the goals of service integration are to be achieved.

Health care organizations

are expected to:

It is important that health care organizations maintain positive, functional relationships with their health care professionals. Health care organizations need to ensure that their health care professionals have a means of identifying issues to the health care organization as well as supporting their participation in the decision-making processes of the regional health authority.

Regional health authorities need to support the involvement of health care organization staff on provincial forums, on advisory bodies and their involvement in professional development activities.

3.0 RELATIONSHIPS

3.4 Develop an effective working relationship with health care professionals.

**3.4 Develop an effective working
relationship with health care
professionals.**

It is important that health care organizations maintain positive, functional relationships with their health care professionals. Health care organizations need to ensure that their health care professionals have a means of identifying issues to the health care organization as well as supporting their participation in the decision-making processes of the regional health authority.

Regional health authorities need to support the involvement of health care organization staff on provincial forums, on advisory bodies and their involvement in professional development activities.

4.0 QUALITY MANAGEMENT

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: |
|-------------------------------------|---|---|
| | <p>4.1 Ensure that a legislative, regulatory and policy framework exists that promotes effective quality improvement and risk management practices.</p> | <p>4.1 Ensure that effective quality improvement and risk management practices are in place.</p> |
| | <p>4.1 Ensure that effective quality improvement and risk management practices are in place.</p> | <p>4.1 Ensure that effective quality improvement and risk management practices are in place.</p> |
| | <p>The Minister is responsible for ensuring the appropriate legislative, regulatory and policy framework exists so that regional health authorities can effective quality improvement and risk management practices.</p> <p>The Minister is responsible for working with regional health authorities to develop processes and procedures that will assist them in ensuring the means are in place to monitor, evaluate and continuously improve the quality of health services, within available resources.</p> | <p>Regional health authorities are responsible for ensuring the quality of care and services provided within their regions. This includes having in place performance monitoring systems that ensure effective quality improvement and risk management practices are promoted and implemented. These practices must meet or exceed recognized best practices or standards.</p> <p>Regional health authorities and health care organizations are expected to work together to adopt where reasonable consistent quality improvement and risk management practices, consistent with Accreditation Canada and other national quality and patient safety standards.</p> |

4.0 QUALITY MANAGEMENT

The Minister is expected to:
**Regional health authorities
are expected to:**

**Health care organizations
are expected to:**

4.2 Ensure that a legislative, regulatory and policy framework exists that promotes patient safety.

The Minister is responsible for ensuring an policy framework exists so that regional health authorities can address issues related to patient safety effectively.

The Minister is responsible for working with regional health authorities to develop processes and procedures such as the Quality of Care Co-ordinators that will ensure that issues related to patient safety and the quality of health services are addressed in a timely manner.

4.2 Ensure that effective processes are in place that address issues related to the quality of health services and patient safety.

Regional health authorities are responsible for ensuring the quality of care and services provided within their region. This includes having systems in place to monitor and report on quality issues and concerns.

Having sound processes in place to receive and resolve the concerns of the public is a necessary component of effective quality management. The public must be kept informed of these processes including how to access the Quality of Care Co-ordinator. An effective concern resolution process also assists in building confidence with the public and in improving service quality.

4.2 Ensure that effective processes are in place that address issues related to the quality of health services and patient safety.

Health care organizations are responsible for ensuring the quality of care and services provided by their organizations. This includes having systems in place to monitor and report on quality issues and concerns.

Health care organizations are expected to work with the Regional Quality of Care Co-ordinator in resolving the concerns of the public.

4.3 Implement and co-ordinate processes that protect the privacy of health information throughout the health system.

The Minister is responsible for ensuring that regional health authorities and health care organizations are aware of their responsibilities for guaranteeing the privacy of information and for making certain that personal information is to be used only for appropriate and legal purposes.

4.3 Ensure the privacy of health information.

The regional health authority is responsible for ensuring that the health authority protects the privacy of individual and personal information and uses information only for appropriate and legal purposes.

Health care organizations are responsible for ensuring that they protect the privacy of individual and personal information and uses information only for appropriate and legal purposes.

4.3 Ensure the privacy of health information.

4.0 QUALITY MANAGEMENT

The Minister is expected to:

***Regional health authorities
are expected to:***

The regional health authority is required to comply with all confidentiality and privacy legislation.

Regional health authorities and health care organizations are expected to work together to harmonize where reasonable their privacy activities to ensure consistency of application.

4.4 Identify potential risks to regional health authorities and in collaboration with regional health authorities develop strategies to mitigate those risks and improved safety

The Minister is responsible for identifying potential risks to regional health authorities and health care organizations and where appropriate develop strategies in conjunction with the regional health authorities to mitigate risks.

4.4 Identify risks to their organization and ensure policies for risk management and improved safety

Regional health authorities are responsible for the identification and mitigation of risks. The focus of risk management at the governance level is to minimize loss. Regional health authorities should ensure that policies and processes are in place to minimize loss (examples include adequate insurance coverage, code of ethics, contract management rules, signing authorities and investment restrictions). Regional health authorities are expected to provide timely advice to the Minister of Health of any substantial risks to their organizations.

***Health care organizations
are expected to:***

Health care organizations are required to comply with all confidentiality and privacy legislation.

Regional health authorities and health care organizations are expected to work together to harmonize where reasonable their privacy activities to ensure consistency of application.

4.4 Identify risks to their organization and ensure policies for risk management and improved safety

Health care organizations are responsible for the identification and mitigation of risks. The focus of risk management at the governance level is to minimize loss. Health care organizations should ensure that policies and processes are in place to minimize loss (examples include adequate insurance coverage, code of ethics, contract management rules, signing authorities and investment restrictions). Health care organizations are expected to provide timely advice to their regional health authority of any substantial risks to their organizations.

5.0 MONITORING, EVALUATION AND REPORTING

The Minister is expected to:
**Regional health authorities
are expected to:**

| | | | | | |
|---|---|--|--|---|--|
| <p>5.1 Ensure that standards are established with respect to information requirements and management systems in order to meet the regional health authorities' and the Minister's need for information to support decision making.</p> | <p>5.1 Ensure their organization's information systems and management practices meet their and the Minister's need for information.</p> <p>Regional health authorities' information systems and management practices should provide operational, financial and other performance information required by both the regional health authorities and the Minister of Health. Such information should be relevant, reliable, understandable and timely. Information systems should comply with provincial information standards and contribute to the development of a provincial health information system.</p> | <p>5.1 Ensure their organization's information systems and management practices meet the regional health authorities' and the Minister's need for information.</p> <p>Health care organizations' information systems and management practices should provide operational, financial and other performance information required by both the regional health authorities and the Minister of Health. Such information should be relevant, reliable, understandable and timely. Information systems should comply with provincial information standards and contribute to the development of a provincial health information system.</p> | <p>5.2 Assess and report on the status of the health system in addressing the health needs of the province.</p> <p>In collaboration with the regional health authorities, other providers and key players in the health system, the Minister is responsible for establishing standards for information and management systems that support the decision-making requirements of the health system. Such standards should be consistent and co-ordinated, thereby ensuring reliable, understandable and timely information.</p> | <p>5.2 Assess and report on the health authority's performance in addressing the health needs of its population.</p> <p>Regional health authorities are expected to assist in the assessment of health system performance including collaboration in the development of common assessment instruments.</p> | <p>5.2 Health care organizations are to assist regional health authorities in assessing and reporting on the health authority's performance in addressing the health needs of its population.</p> <p>Health care organizations are expected to assist their regional health authority in the assessment of regional and health care organization performance.</p> |
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5.0 MONITORING, EVALUATION AND REPORTING

The Minister is expected to:

Regional health authorities are expected to:

Requirements for health system assessment and reporting will be developed and refined on an ongoing basis in collaboration with regional health authorities.

5.3 Co-ordinate the development of processes that monitor, evaluate and continuously improve the quality of work-life.

The Minister is responsible along with regional health authorities to develop, monitor and evaluate processes that lead to continuous improvement in the quality of work-life.

Health care organizations are expected to:

Regional health authorities are expected to continuously gather and analyse information that will allow them to report on their overall performance. The periodic evaluation of strategies, programs and services, in terms of their responsiveness to health needs and their impact on desired health outcomes, is an important component of effective governance.

5.3 Ensure processes are in place to monitor, evaluate and continuously improve the quality of work-life.

Although it is the responsibility of management to develop and manage the quality of work-life within the health region, regional health authorities are responsible for ensuring the establishment of mechanisms to monitor and evaluate the quality of work-life and provide direction to management as needed.

Health care organizations are expected to:

Health care organizations are expected to assist regional health authorities in gathering and analysing information that will allow the regional health authority to report on the regions overall performance.

5.3 Ensure processes are in place to monitor, evaluate and continuously improve the quality of work-life.

Although it is the responsibility of management to develop and manage the quality of work-life within the health care organization, health care organizations are responsible for ensuring the establishment of mechanisms to monitor and evaluate the quality of work-life and provide direction to management as needed.

6.0 MANAGEMENT AND PERFORMANCE

The Minister is expected to:

Regional health authorities are expected to:

Health care organizations are expected to:

6.1 Develop processes for the ongoing education of regional health authority and health care organization members.

The Minister is responsible for the ongoing education of regional health authority members and health care organizations as it relates to their roles and responsibilities with respect to the provision of health services. The Minister shall periodically advise regional health authority and health care organizations members of any performance requirements that they are expected to achieve. This will be done in collaboration with regional health authorities and health care organizations.

6.1 Develop processes for the ongoing education of regional health authority members.

Regional health authorities must develop processes for the ongoing education of their members with respect to their roles and responsibilities. A comprehensive education program for each regional health authority member is essential for personal and regional health authority effectiveness.

Regional health authorities must also ensure that their members participate in continuing education opportunities that are developed provincially and regionally for that purpose.

6.1 Develop processes for the ongoing education of health care organization board members.

Health care organizations must develop processes for the ongoing education of their board members with respect to their roles and responsibilities

Health care organizations must also ensure that their board members participate in continuing education opportunities that are developed provincially and regionally for that purpose.

6.2 Assist regional health authorities in ensuring the transparency of board decision-making.

The Minister shall clearly communicate the expectations surrounding the transaction of regional health authority business in public

6.2 Make clear and informed decisions that all members can support.

Regional health authorities need to utilize an explicit process of decision-making that is transparent and that all members support.

6.2 Make clear and informed decisions that all members can support.

Health care organizations need to utilize an explicit process of decision-making that is transparent and that all members support.

6.0 MANAGEMENT AND PERFORMANCE

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: | |
|---|--|---|--|
| including the form and content of regional health authority minutes or any other public document. | All regional health authority members should support decisions made by their regional health authority. | Health care organizations board members should support decisions made by their organization. | |
| The Minister shall assist regional health authorities and health care organizations in developing explicit processes of decision-making that all members are prepared to support. | Each regional health authority shall establish a code of ethics concerning regional health authority member conduct. | Each health care organization shall establish a code of ethics concerning health care organization member conduct. | |
| | 6.3 Assist regional health authorities and health care organizations in the development of various instruments that will enable them to assess and support continuous improvement in their performance. | 6.3 Perform an annual assessment of their performance and use those results to continuously improve their performance. | 6.3 Perform an annual assessment of their performance and use those results to continuously improve their performance. |
| | | | Health care organizations should formally assess their performance at least annually, using instruments developed both provincially and locally, as well as through other means. This process will identify areas of strength, as well as areas requiring improvement. Assessment results should be used by the health care organizations to assist in making the changes required to improve performance. Processes should include the opportunity for input into the assessment by other partners. |

6.0 MANAGEMENT AND PERFORMANCE

The Minister is expected to:

Regional health authorities are expected to:

Health care organizations are expected to:

6.4 Assist in the establishment of processes for recruitment and evaluation of the Chief Executive Officer.

As requested by a regional health authority or a health care organization the Minister will provide assistance to the regional health authority in the recruitment, appointment and evaluation of its Chief Executive Officer (CEO). The Minister will assist the regional health authority or a health care organization in determining whether prospective CEOs (and other senior managers) have the necessary qualifications and experience that will enable the regional health authority or a health care organization to meet its goals and objectives.

The Minister will work with regional health authorities or a health care organization to develop a comprehensive evaluation process for CEOs to be applied on a province-wide basis.

6.4 Establish sound processes for recruitment, appointment and evaluation of their Chief Executive Officer.

Regional health authorities are responsible for hiring their Chief Executive Officer (CEO) to carry out the work of the organization as defined by the regional health authority's policies and plans.

Ensuring that the CEO has the necessary qualifications, setting clear expectations and regularly evaluating the performance of the CEO will enable a regional health authority to have well-founded trust and confidence in their CEO. At the same time, it will confirm for the CEO that the regional health authority has confidence in his/her ability and ongoing performance in fulfilling the expectations of the regional health authority.

Regional health authorities are also expected to participate in the development and application of a province-wide CEO evaluation process.

6.4 Establish sound processes for recruitment, appointment and evaluation of their Chief Executive Officer.

Health care organizations are responsible for hiring their Chief Executive Officer (CEO) to carry out the work of the organization as defined by the health care organization's policies and plans.

Ensuring that the CEO has the necessary qualifications, setting clear expectations and regularly evaluating the performance of the CEO will enable a health care organization to have well-founded trust and confidence in their CEO. At the same time, it will confirm for the CEO that the health care organization has confidence in his/her ability and ongoing performance in fulfilling the expectations of the health care organizations.

Health care organizations as appropriate are expected to utilize province-wide CEO evaluation process.

6.0 MANAGEMENT AND PERFORMANCE

| The Minister is expected to: | Regional health authorities are expected to: | Health care organizations are expected to: | |
|-------------------------------------|--|--|---|
| | 6.5 Ensure an effective working relationship between the ministry and regional Chief Executive Officers is established. | 6.5 Establish an effective working relationship with their Chief Executive Officer. | <p>The key to a successful relationship between a regional health authority and its CEO is the degree to which the regional health authority and the CEO are able to clearly define each other's roles and are able to work in partnership.</p> <p>Regional health authorities delegate their powers and authority to their CEOs through bylaws and policies, which set the parameters of decision-making, conduct and accountability. This allows regional health authorities and CEOs to identify which issues will typically be addressed by a regional health authority and/or the CEO.</p> |
| | 6.5 Ensure an effective working relationship between the ministry and regional Chief Executive Officers is established. | 6.5 Establish an effective working relationship with their Chief Executive Officer. | <p>The key to a successful relationship between a health care organization and its CEO is the degree to which the health care organization and the CEO are able to clearly define each other's roles and are able to work in partnership.</p> <p>Health care organizations delegate their powers and authority to their CEOs through bylaws and policies, which set the parameters of decision-making, conduct and accountability. This allows health care organizations and CEOs to identify which issues will typically be addressed by a health care organization and/or the CEO.</p> |
| | 6.6 Assist in the training of regional/health authority and health care organization staff to ensure a succession plan is in place for senior executives. | 6.6 Ensure a succession plan is in place for senior executives. | <p>As requested by a regional health authority or a health care organization, the Minister may provide assistance in the training and development of senior executives to enable them to operate effectively in the event that the CEO or other key executives leave the organization.</p> <p>Regional health authorities must establish a succession plan, which will enable their organization to operate effectively in the event that the CEO or other key executives leave the organization.</p> |
| | 6.6 Assist in the training of regional/health authority and health care organization staff to ensure a succession plan is in place for senior executives. | 6.6 Ensure a succession plan is in place for senior executives. | <p>Health care organizations must establish a succession plan, which will enable their organization to operate effectively in the event that the CEO or other key executives leave the organization.</p> |

| SUMMARY | | | |
|--|--|--|--|
| MINISTER | RHAs | HCOs | |
| 1.0 STRATEGIC PLANNING | | | |
| 1.1 Establish the overall strategic direction of the health system and to communicate that to regional health authorities. | 1.1 Establish vision, mission and values consistent with the strategic direction provided by the province and their respective regional health authority and to establish the directions, key expectations and performance measures for their health region. | 1.1 Establish vision, mission and values consistent with the strategic direction provided by the province and their respective regional health authority and to establish the directions, key expectations and performance measures for their organizations. | 1.1 Establish vision, mission and values consistent with the strategic direction provided by the province and their respective regional health authority and to establish the directions, key expectations and performance measures for their organizations. |
| 1.2 Develop legislation, regulations, provincial policies and Ministerial directives that support the achievement of the strategic direction of the health system. | 1.2 Support and comply with legislation, regulations, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system. | 1.2 Support and comply with legislation, regulations, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system. | 1.2 Support and comply with legislation, regulations, provincial policies and Ministerial directives that promote the achievement of the strategic direction of the health system. |
| 1.3 Develop and identify those intersectoral alliances and/or partnerships that promote the strategic direction of the health system. | 1.3 Develop intersectoral alliances and/or partnerships with other organizations. | 1.3 Develop intersectoral alliances and/or partnerships with other organizations. | 1.3 Develop intersectoral alliances and/or partnerships with other organizations. |
| 1.4 Provide clear accountability guidelines and directions to regional health authorities. | 1.4 Fulfill their accountability to the Minister of Health. | 1.4 Fulfill their accountability to the Minister of Health and the regional health authority | 1.4 Fulfill their accountability to the Minister of Health and the regional health authority |
| 1.5 Ensure the effective planning and delivery of quality health services. | 1.5 Ensure the planning and delivery of quality health services. | 1.5 Ensure the planning and delivery of quality health services. | 1.5 Ensure the planning and delivery of quality health services. |
| 1.6 Determine provincial health service priorities. | 1.6 Determine regional health service priorities. | 1.6 Determine health care organization service priorities. | 1.6 Determine health care organization service priorities. |
| 1.7 Allocate resources for delivery of services. | 1.7 Allocate regional resources for delivery of services. | 1.7 Allocate health care organization for delivery of services. | 1.7 Allocate health care organization for delivery of services. |
| 1.8 Provide clear guidelines and directions to regional health authorities regarding the preparation and submission of an operational. | 1.8 Submit an operational plan and the annual service within the approved budget. | 1.8 Submit to the regional health authority any information the regional health authority requires to develop its strategic plan, budget or any other related document that the regional health authority may be required to develop from time to time. | 1.8 Submit to the regional health authority any information the regional health authority requires to develop its strategic plan, budget or any other related document that the regional health authority may be required to develop from time to time. |

| <i>2.0 FISCAL MANAGEMENT AND REPORTING</i> | |
|--|---|
| 2.1 Provide clear guidelines and directions to regional health authorities regarding the reporting of financial, administrative statistical and clinical information. | 2.1 Report on their activities to the Minister and regional health authority. |
| 2.2 Co-ordinate the development of processes that support effective fiscal management. | 2.2 Safeguard the organization's resources through sound fiscal policies and effective internal controls. |
| 2.3 Work with the Provincial Auditor on issues related to financial reporting. | 2.3 Commission an annual independent financial audit. |
| 2.4 Ensure that consistent and comparable information is available to regional health authorities to assist them in the performance of their responsibilities related to needs assessment. | 2.4 Ensure that the health status and health needs of the population being served are assessed on an ongoing basis. |
| <i>3.0 RELATIONSHIPS</i> | |
| 3.1 Establish processes for effectively communicating to the public about the health system and how to access services. | 3.1 Establish processes for effectively communicating with the public. |
| 3.2 Co-ordinate the establishment of effective community development processes. | 3.2 Establish effective community development processes. |
| 3.3 Assist regional health authorities in developing effective working relationships with the health care organizations in their region. | 3.3 Develop an effective working relationship with the health care organizations in the region. |
| 3.4 Assist regional health authorities in developing an effective working relationship with health care professionals. | 3.4 Develop an effective working relationship with health care professionals. |

4.0 QUALITY MANAGEMENT

| | | | |
|---|--|--|--|
| <i>5.0 MONITORING, EVALUATION AND REPORTING</i> | | | |
| 4.1 Ensure that a legislative, regulatory and policy framework exists that promotes quality improvement and risk management practices. | 4.1 Ensure that effective quality improvement and risk management practices are in place. | 4.1 Ensure that effective quality improvement and risk management practices are in place | 4.1 Ensure that effective quality improvement and risk management practices are in place |
| 4.2 Ensure that a legislative, regulatory and policy framework exists that promotes patient safety. | 4.2 Ensure that effective processes are in place that address issues related to the quality of health services and patient safety. | 4.2 Ensure that effective processes are in place that address issues related to the quality of health services and patient safety. | 4.2 Ensure that effective processes are in place that address issues related to the quality of health services and patient safety. |
| 4.3 Implement and co-ordinate processes that protect the privacy of health information throughout the health system. | 4.3 Ensure the privacy of health information. | 4.3 Ensure the privacy of health information. | 4.3 Ensure the privacy of health information. |
| 4.4 Identify potential risks to regional health authorities and in collaboration with regional health authorities develop strategies to mitigate those risks. | 4.4 Identify risks to their organization and ensure policies for risk management. | 4.4 Identify risks to their organization and ensure policies for risk management. | 4.4 Identify risks to their organization and ensure policies for risk management. |

| <i>6.0 MANAGEMENT AND PERFORMANCE</i> | |
|---|--|
| 6.1 Develop processes for the ongoing education of regional health authority and health care organizations members. | 6.1 Develop processes for the ongoing education of regional health authority members. |
| 6.2 Assist regional health authorities in ensuring the transparency of board decision-making. | 6.2 Make clear and informed decisions that all members can support. |
| 6.3 Assist regional health authorities and health care organizations in the development of various instruments that will enable them to assess and support continuous improvement in their performance. | 6.3 Perform an annual assessment of their performance and use those results to continuously improve their performance. |
| 6.4 Assist in the establishment of processes for the recruitment and evaluation of the Chief Executive Officer. | 6.4 Establish sound processes for recruitment, appointment and evaluation of their Chief Executive Officer. |
| 6.5 Ensure an effective working relationship between the ministry and regional Chief Executive Officers is established. | 6.5 Establish an effective working relationship with their Chief Executive Officer. |
| 6.6 Assist in the training of regional health authority and health care organization staff to ensure a succession plan is in place for senior executives. | 6.6 Ensure a succession plan is in place for senior executives. |
| | 6.1 Develop processes for the ongoing education of health care organization board members. |
| | 6.2 Make clear and informed decisions that all members can support. |
| | 6.3 Perform an annual assessment of their performance and use those results to continuously improve their performance. |
| | 6.4 Establish sound processes for recruitment, appointment and evaluation of their Chief Executive Officer. |
| | 6.5 Establish an effective working relationship with their Chief Executive Officer. |
| | 6.6 Ensure a succession plan is in place for senior executives. |

ASSESSING THE ROLE OF THE BOARD IN STRATEGY



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

Introduction

Within the context of a regional health authority or Saskatchewan Cancer Agency, the board provides strategic leadership and direction of the organization by establishing the vision, mission, and core values in accordance with the provincial strategic direction. The board also establishes policies, makes decisions, and monitors performance related to the key dimensions of board business as well as its own effectiveness; whereas management is focused on development of operational plans, policy options, appropriate reports to support decisions and management of operations consistent with board policy.

The following table is an example of a framework in which the responsibilities for the strategy and strategic planning are divided between the board and senior management. The division may be flexible depending on the size, complexity, and resources of the organization.

| TASK | RESPONSIBILITY | |
|--|----------------|------------|
| | Board | Management |
| <ul style="list-style-type: none">• Providing leadership and direction in developing a strategic plan• Developing and implementing or operationalizing a strategic plan• Assessing and approving the strategic planning process | ✓ ✓ | ✓ |
| <ul style="list-style-type: none">• Establishing the vision, mission, and core values;• Demonstrating integrity and ethical leadership in support of the board responsibilities with respect to development and periodical review of its mission and objectives | ✓ | ✓ |
| <ul style="list-style-type: none">• Ensuring that key financial objectives and indicators are developed for approval by the board and monitoring performance against these objectives• Ensuring financial performance and appropriate systems and structures are in place for the effective management of the board | ✓ | ✓ |
| <ul style="list-style-type: none">• Preparing operating plans• Preparing budgets• Approving budgets | ✓ | ✓ ✓ |

This tool/survey instrument is designed to assist boards in assessing their role in the establishing the strategic direction of the regional health authority as well as providing the Governance Committee with information about the education/training requirements of regional health authority boards.

Strategic Planning & the Board

Strategy refers to an organization's long term (5 years +) mission, vision, values, & objectives and includes the choice (i.e. mix and emphasis) of major program areas.

How many board meetings does the organization have per year?

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13+

How many board meetings are spent discussing the organization's overall strategy each year?

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13+

The average length of time spent discussing the strategy in each board meeting is:

_____ hour(s) _____ minutes

What areas of strategy does your board spend most of its time on?

| Components of strategy | Percentage of time spent |
|---|--------------------------|
| Mission? (i.e. the statement of the relationship which the organization wishes to have with its key stakeholders) | |
| Vision? (i.e., a massively inspiring, overarching, long-term goal) | |
| Values? (i.e., ethical and moral principles) | |
| Objectives? (i.e. targets used to numerically measure progress against the mission, vision and values) | |
| Choice of major programs and services | |
| | 100% |

Do meeting agendas/topics align with the board's strategic plan?

Yes _____ No _____

Does your organization have a formal strategic planning committee?

Yes _____ No _____

If not, has the board discussed the need to establish a committee?

Yes _____ No _____

How many committee meetings are spent discussing the organization's overall strategy each year?

1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13+

The average length of time spent discussing the strategy in each committee meeting is:

 hour(s) minutes

Should the board be spending more time on strategy? (please circle)

Yes No

If Yes, above,

How much more time? Number of meetings hours at each meeting

Does the board have a formal retreat set aside to discuss strategic issues? (please circle)

Yes No

If Yes, above,

How long? (Days) (Hours)

| Does the board formally periodically review the regional health authority's: | Yes | No |
|---|------------|-----------|
| Mission? (i.e. the statement of the relationship which the organization wishes to have with its key stakeholders) | | |
| Vision? (i.e., a massively inspiring, overarching, long-term goal) | | |
| Values? (i.e., ethical and moral principles) | | |
| Objectives? (i.e. targets used to numerically measure progress against the mission, vision and values) | | |
| Choice of major programs and services | | |

| Does the board formally approve the regional health authority's: | Yes | No |
|---|------------|-----------|
| Mission? (i.e. the statement of the relationship which the organization wishes to have with its key stakeholders) | | |
| Vision? (i.e., a massively inspiring, overarching, long-term goal) | | |
| Values? (i.e., ethical and moral principles) | | |
| Objectives? (i.e. targets used to numerically measure progress against the mission, vision and values) | | |
| Choice of major programs and services | | |

| To what extent is the board involved in helping to formulate, develop or change the organization's: | | | | | |
|--|------------|----------|------------|--------------|------------------------|
| | Not at all | Somewhat | Moderately | Considerably | To the Greatest Extent |
| Mission? | | | | | |
| Vision? | | | | | |
| Values? | | | | | |
| Objectives? | | | | | |
| Choice of major programs and services | | | | | |

Approximately how much time do you (as a director of the organization) spend each year outside the board meetings independently reviewing:

overall (corporate) strategy? _____ hour(s)
 individual business strategies? _____ hour(s)
 operating plans? _____ hour(s)

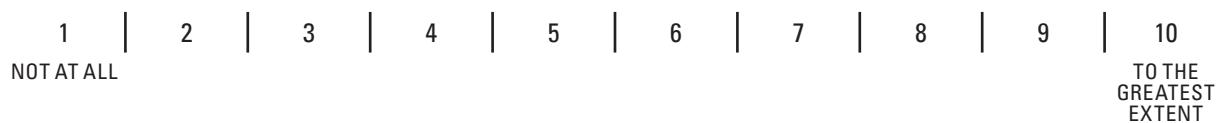
To what extent do you receive the following information as part of your board package on strategy and to what extent is this actively discussed by board members: (refer to legend on right)

Extent of Info/Discussion:

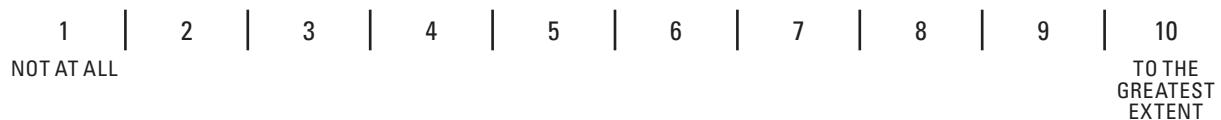
0 - None 1 - Some 2 - Moderate 3 - Considerable 4 - To the Greatest

| | Extent of Information | Extent of Discussion |
|--|-----------------------|----------------------|
| Environment assessment | | |
| Internal resources (people, competencies, skills, capital, equipment, facilities etc.) analysis – strengths and weaknesses | | |
| Entry and exit from major programs and/or services | | |
| Risk analysis – financial, strategic, operational, major hazard, etc. | | |
| Planning assumptions | | |
| Major strategic alternatives considered and rejected | | |
| Rationales for the proposed strategy | | |
| The degree of organizational alignment with the strategy for strategy execution | | |
| Financial and other measures | | |

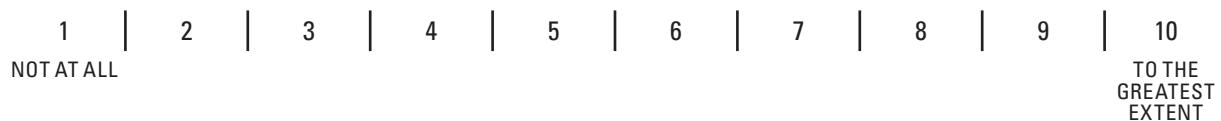
Overall how satisfied is the board with its organization's overall (corporate) strategy?



Overall, how satisfied is your board with the organization's strategic planning process? (please circle)



Overall, how satisfied is your board with its level of involvement and participation in the organization's strategic planning process? (please circle)



In your opinion what are the three (3) greatest improvements that could aid your board in the strategic planning process?

(1)

(2)

(3)

BOARD CHARTER TOOL



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Introduction

Over the years boards have developed comprehensive policy manuals that attempt to define their board governance model as well as address a number of organizational and operational issues. By their very nature, these manuals are not conducive to the board's and the public's understanding of "what is the board's job?" and "how the board does its job?"

A board charter succinctly defines the board's roles and responsibilities as well as functions and structures in a way that supports the board in carrying out its strategic oversight function. It is a synopsis, written in plain language, that details aspects like board purpose, structure and composition plus specific duties and responsibilities. The charter also details the governance processes used to fulfill the roles and responsibilities.

The development of a board charter can be an important activity for a board in that it provides a unique opportunity for the board to think creatively and critically about their specific roles and responsibilities and how their strategic and operational plans align with the province's strategic direction and expectations with respect to board governance.

The Benefits of Developing a Board Charter

A board charter helps to define the organization's direction and to set operational goals that can be followed. The development of a board charter can be an important activity for a board in that it provides an opportunity for the board to think creatively and critically about their specific roles and responsibilities. More so, given that a board charter is developed and adopted by the board as a whole, it provides an opportunity for members to gain a clear understanding of their individual

and collective jobs. Additionally, the process assists members in understanding how their role fits in helping the organization fulfills its purpose.

Both in the initial development of a board charter and in subsequent reviews, the process affords boards the opportunity to review and discuss their knowledge and understanding of the policy and legislative framework that impacts the governance of the organization. It also provides an opportunity for members to review and assess best practices and how applying these practices can support more effective governance within the organization.

In addition to providing clarification for the board, a charter makes board functions and operations transparent to the public. The charter also makes clear the organization's purpose and values. Furthermore, the charter can be used as the foundation for both the board and public's assessment of the organization's performance in fulfilling its roles and responsibilities.

The Difference Between Bylaws and a Board Charter

Typically, bylaws deal with the procedural issues related to the conduct of board and committee meetings as well as board structure, and in particular the establishment and composition of board committees. The bylaws are approved by the Minister of Health and are a legal document.

In contrast, a board charter is a governance document that details the roles and/or responsibilities of the board which are directly linked to the Regional Health Authorities'/ Saskatchewan Cancer Agency's strategic plan, functions and structures.

Developing a Board Charter

A board charter includes but is not limited to: the objective of the board, the board's composition,

meeting procedures, significant duties and responsibilities of members, committee composition, and evaluations. Given that the boards for a variety of purposes have already developed many of the elements of a board charter, the boards can fairly easily develop their board charter based on existing policies or policy manual/framework and/or policy processes. By building on existing activities and policies of the boards, a board charter can in fact be a relatively short document that can be readily used by members on a regular basis.

The Board Charter in the Saskatchewan Health Sector

Currently, the Saskatchewan health sector has an accountability and governance framework that consists of documents at both the provincial and local levels. At the provincial level, these include: The Action Plan for Saskatchewan Health Care, The Regional Health Services Act, the regulations under the Act, The Cancer Agency Act, the Roles and Expectations of the Minister of Health, and the Accountability Document.

At the local level, these include regional strategic and operational plans as well as policies, procedures and bylaws.

Developed within the governance and accountability framework, The Regional Health Authorities and Saskatchewan Cancer Agency's Guide to Corporate Governance in the Saskatchewan Health Sector also contains guidelines to assist boards in developing a governance model that fits their specific needs and circumstances in carrying out their strategic plan that is consistent with the provincial direction. Collectively, these resources influence a board's charter.

The following diagram (Figure 1) provides an understanding of the interrelationship of the various documents at the provincial and RHA/SCA levels and how they influence a board charter. Each provincial document has a counterpart at the local level.

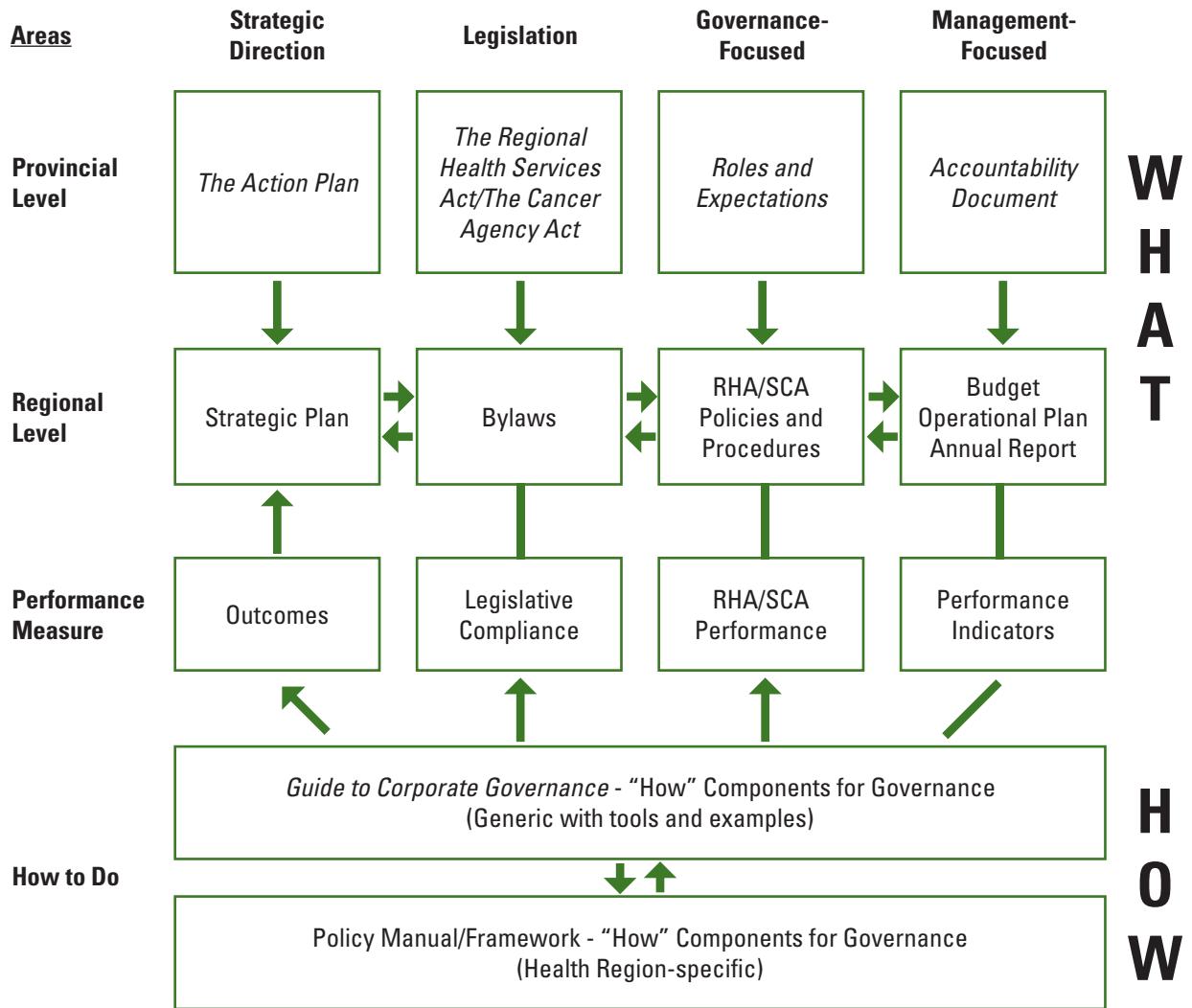


Figure 1.

TEMPLATE

**The Board of Directors of
ORGANIZATION NAME
BOARD CHARTER**

1. Introduction

The ORGANIZATION NAME board is responsible for the governance practices of the organization. The board derives its authority to act from The Regional Health Services Act OR The Cancer Agency Act. The conduct of the board is governed by ORGANIZATION NAME General Bylaws.

Building on the roles and expectations outlined in the provincial document *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities*, this Charter details the roles and responsibilities, functions and structures of the board of the ORGANIZATION NAME that are linked to the *Accountability Document* and our strategic plan. Our board shall review this Charter annually.

Pursuant to *The Regional Health Services Act* and *The Cancer Agency Act*, the board is responsible for the planning, organizing, delivering and evaluating health services provided within its health region and Saskatchewan and any other area that may be directed by the Minister of Health. The board is accountable for the overall management and control of the health region and Saskatchewan and is accountable to the Minister of Health to achieve the provincial and regional goals and objectives for health services.

Major services that the regional health authority is responsible for include:

- hospitals, health centers, wellness centers and social centers;
- emergency response services, including first responders, ambulance;
- supportive care, such as long-term care, day programs, respite, palliative care and programs for patients with multiple disabilities;
- home care;
- community health services, such as public health nursing, public health inspection, dental health, vaccinations and speech pathology;
- mental health services; and
- rehabilitation services.

OR

Major services that The Cancer Agency is responsible for providing include services for:

- the detection, diagnosis, testing, treatment and monitoring of individuals, including follow-up care, performance outcome analysis and assessment of treatment outcomes;
- the provision and delivery of treatment or rehabilitation services to individuals;
- the education of health care providers and Saskatchewan residents respecting cancer and the prevention of cancer;
- the prevention and screening of individuals for cancers;
- cancer research and studies, including statistical analysis; and
- any other prescribed matter.

2. Our composition

In accordance with the Act and regulations, the Lieutenant Governor in Council appoints the INSERT NUMBER OF MEMBERS members of the board through an Order-in-Council. The members of the board form the governing body of the organization.

Membership and term of appointment to the board of ORGANIZATION NAME is set out in *The Regional Health Services Act*. Each board member should possess the qualities set out in our General Bylaws.

The ORGANIZATION NAME has all the powers prescribed in *The Regional Health Services Act* and the regulations and any other applicable legislation **OR** The Saskatchewan Cancer Agency derives its powers as prescribed in *The Cancer Agency Act*.

3. Meetings

The board shall meet at least INSERT MINIMUM NUMBER OF BOARD MEETINGS times per year as scheduled by the board Chairperson. With the exception of in-camera meetings, meetings of the board shall be held in public and meeting notices for the public shall be published one week prior to the meeting. The conduct of board meetings and proceedings are contained in our General Bylaws.

For regularly scheduled meetings, an agenda and other necessary documentation is provided to members in advance. Meeting agendas are set by the Chairperson, in conjunction with discussions with the CEO, and are structured throughout the year to ensure that significant responsibilities and goals of the board are addressed. Our members attend meetings regularly and are adequately prepared to participate meaningfully in discussions. The Chairperson calls special meetings of the board and the secretary makes best effort that notice of the special meeting and its agenda are provided to the board not less than 48 hours prior to the meeting. Unless otherwise specified, all decisions of the board shall be by majority vote of the members at any meetings where a quorum is present.

4. Our Duties and Responsibilities

As outlined in our General Bylaws, the ORGANIZATION NAME board shall provide strategic direction and effective oversight of ORGANIZATION NAME. We shall govern in alignment with current corporate governance best practices.

In general, some of our key responsibilities are to:

- establish and review on a regular basis the mission, objectives, values and strategic plan of the board in relation to the provision, within available resources, of appropriate programs and services in order to meet the needs of the residents in the health region and Saskatchewan;
- establish, on an annual basis, board goals, objectives and values to ensure the effective and efficient governance of the board;
- establish procedures for monitoring compliance with the requirements of *The Regional Health Services Act*, regulations, *The Cancer Agency Act* and other applicable legislation;
- establish policies and procedures which will provide the framework for the management and operation of the board; and

- evaluate its own performance in relation to its responsibilities and periodically review and revise governance policies, processes and structures as appropriate;

Strategic Framework

We set the overall direction for ORGANIZATION NAME by defining a strategic framework that specifies the overall direction of our organization. This strategic framework is based on expectations in the key areas outlined in the *Roles and Expectations of The Minister of Health and Saskatchewan's Regional Health Authorities* document.

We shall regularly evaluate and enunciate the strategic priorities and performance indicators for ORGANIZATION NAME.

Our strategic framework includes:

- *Strategic planning*
 - establish vision, mission and values consistent with the strategic direction provided by the province
 - Mission: INSERT ORGANIZATION MISSION
 - Vision: INSERT ORGANIZATION VISION
 - Values: INSERT ORGANIZATION VALUES
 - determine health service strategic priorities within ORGANIZATION NAME, taking into account the opportunities and risks facing the region. The ORGANIZATION NAME Strategic Plan highlights our strategic priorities. Key strategic priorities include:
 - INSERT KEY POINTS FROM STRATEGIC PLAN
 - *Fiscal management and reporting*
 - ensure that key financial objectives and indicators are developed for board's approval and in line with the strategic plan and the *Accountability Document*
 - monitor performance against the financial objectives
 - maintain a high level of risk management
 - *Relationships*
 - establish mechanisms for collaboration with health system partners
 - ensure that the importance of community engagement is reinforced
 - *Quality Management*
 - ensure quality goals and performance indicators are in place
 - ensure that exemplary customer service is provided
 - *Monitoring, Evaluation and Reporting*
 - monitor indicators of clinical outcomes and quality of services
 - evaluate periodically strategic, programs and services through management's reporting re: progress towards goals related to programs and services
 - report on the ORGANIZATION NAME performance in addressing the health needs in the strategic priority areas

- o *Management and Performance*

- appoint the Chief Executive Officer (CEO) and monitor his or her performance;
- establish or approve compensation for CEO
- approve structure for organization;
- establish and review succession planning;
- support a quality workplace and high performing work team
- ensure that a safe working environment is created for staff

In addition to our strategic plan, we have an operational plan and a capital plan that specify the overall direction of our organization.

Our operational plan highlights include:

- INSERT HIGHLIGHTS FROM OPERATIONAL PLAN

Our capital plan highlights include:

- INSERT HIGHLIGHTS FROM CAPITAL PLAN

Decision Making

We shall approve policies and make decisions using a decision-making model established by the board that considers stakeholder input and supports the vision, mission and values of the organization. Our decision-making model ensures that decision-making practices are consistent.

The following criteria shall be used for decision-making and policy approval:

- INSERT KEY DECISION-MAKING CRITERIA

We are responsible for making policy decisions and ensuring, through the CEO, that the appropriate staff and structures are in place to carry out the policy and daily operations of the organization. We shall recommend and support policy decisions and programs that are in the best interest of the organization.

Performance

The ORGANIZATION NAME will specify and monitor performance indicators set out in the *Accountability Document*, which will target results to assure the organization is fulfilling its mission and values.

We shall ensure that ORGANIZATION NAME is meeting the desired outcomes and established targets related to our performance indicators. We will do this by setting regular intervals throughout the year in which the CEO will report on performance related to the indicator. We are accountable for monitoring variances related to the indicators and ensuring that ORGANIZATION NAME has developed measures to improve and enhance the performance of the region.

5. Roles and Responsibilities for Board Members

Board members, including the Chairperson and Vice-Chairperson have roles and responsibilities as specified in our General Bylaws.

The key responsibilities of our members include to:

- be diligent and adhere to the board's mission, vision and values;
- owe a fiduciary duty and duty of care to the organization. Members should exercise care, diligence and skill that a reasonably prudent person would exercise in similar circumstances;
- represent the interest of the whole health region rather than the specific interest of any individual, constituency, association or organization; and
- keep informed about matters relating to the organization, the community served, and other health care services provided in the health region

OR

- represent the interest of the residents of Saskatchewan rather than specific interest of any individual or organization; and
- keep informed about matters relating to the organization, the regional health authorities, the health care organizations and other health care services in providing cancer care services to the residents of Saskatchewan

The key responsibilities of the Chairperson of the board include to:

- foster the development of a board culture characterized by active and constructive board engagement, commitment to transparency and commitment to practicing good governance;
- provide leadership to board development;
- ensure full utilization of individual capacities and optimum performance of board and each of its committees;
- ensure the corporate approach to board governance and effective board performance; and
- build and maintain a sound working relationship with the Ministers of Health and other government representatives.

The key responsibilities of the Vice-Chairperson of the board include performing all the duties of the Chairperson in the absence or disability of the Chairperson, together with such other duties as are usually incidental to such a position or may be assigned by the board from time to time.

6. Professional Development

Board members will take responsibility for engaging in board development activities, which will assist us in carrying out our duties. A plan and budget for board professional development shall be established annually.

There are several levels of board development:

- new member orientation;
- development of the board as a whole; and
- individual member development.

On joining the board, each member is provided with a board orientation. Additionally, each member is provided with a copy of the Board Member Handbook, which outlines details of strategic plan, management structure, and clinical, financial, and operational risk management issues.

On-going education shall be provided to board members as part of regular board meetings and as part of the board's retreat. At the provincial level, the board shall receive education sessions on a variety of governance topics. Individual members who identify other educational opportunities that will assist them in their role as a member shall submit their request to attend the opportunity in writing to the chairperson outlining the details of the educational opportunity and a statement of how this education will assist the member in fulfilling his or her mandate for the upcoming year. The chairperson will review and make a recommendation to the board as a whole. Upon completion of the education, the member will be responsible for sharing the information with the board as a whole.

7. Committees

We will create OR have established standing committees as required to advise the board. Our committees are: INSERT LIST OF BOARD COMMITTEES. At times, ad hoc committees may also be established.

Committees support board function and each committee is delegated certain tasks as determined by the board and as outlined in our General Bylaws. Each committee shall adopt its own terms of reference that is approved and periodically reviewed by the board. Occasionally, committees, with prior approval of the chairperson, may engage consulting advice and independent counsel. The committees and their specific roles are assessed and evaluated annually.

8. Evaluation

Evaluation allows us to highlight successes, learn what processes are working well, self-improve, and opportunity to take any corrective action that is necessary. The ORGANIZATION NAME board shall regularly assess the performance of the board, its members and its committees. We shall perform an annual assessment of member's performance against his or her role description.

Since the board delegates responsibility and related authority to the CEO for the management and operation of the organization, the CEO is accountable to the board. Thus the board shall conduct periodic informal evaluations and an annual formal evaluation of CEO performance. This evaluation is set against the CEO's performance objectives and job description. Guidelines for our evaluation processes are outlined in our General Bylaws.

9. Division of responsibility between the Board and management

The board shall appoint a CEO who is responsible, in accordance with the directions of the board, for the general day-to-day management and conduct of the affairs of the organization. Subject to *The Regional Health Services Act* and *The Cancer Agency Act* the board shall set the conditions of employment and review them annually.

The CEO is the board's link to the administration of the health region OR the Saskatchewan Cancer Agency. The CEO is accountable to the board as a whole and all communications on behalf of the board is through the CEO. The CEO exercises all powers and board delegated by the board through the corporate governance policy.

In the context of the above relationship, the board shall:

- direct the CEO to achieve results reflective of the strategic plan, corporate performance indicators and performance monitoring processes established by the board;
- provide parameters for achieving results;
- direct the CEO to provide and report on a succession plan annually to the regional health board;
- delegate authority to the CEO to conduct the business and operations of the board;
- authorize the CEO to delegate authority, implement policy, establish procedures, make all decisions, take all actions, establish all practices, and direct all activities for the board;
- ensure that only decisions of the board acting as a single body are binding upon the CEO; and
- authorize the CEO to enter into employment agreements with staff, setting out terms and conditions of employment, and salary and benefits.

10. Ethical Behavior

The operations of ORGANIZATION NAME are driven by our values. We have adopted a Code of Conduct, included as part of our General Bylaws, that governs the conduct of the board members, individually and collectively.

We shall act in the best interest of the organization and uphold our fiduciary responsibilities and duty of care. This involves not disclosing confidential information, avoiding real and perceived conflicts of interest, and favoring the interests of the organization over the interests of others and us. We will act honestly and in good faith in the manner of which is in the best interest of the organization.

We shall abide by the rules of Conflict of Interests section 17, *The Interpretation Act, 1995*. As provided in *The Regional Health Services Act* and *The Cancer Agency Act*, we shall not directly or indirectly receive any profit or personal financial benefit from the position of member other than remuneration and reimbursement for expenses that is authorized pursuant to the Act.

BOARD DECISION ITEM: DETAILED GUIDE



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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INTRODUCTION

Governing bodies can enhance the quality of their decisions by working together with management to ensure that the board has received complete and meaningful information.

Governing bodies that can demonstrate that they obtain and use such information are likely ones who decisions, while not always agreed with, will be respected. They will enjoy greater public confidence and be seen to have fulfilled their due diligence responsibilities.

The *Board Decision Item Summary Guide* and the *Board Decision Item Detailed Guide* have been developed to assist boards in their decision-making process. The *Guides* contains topics and questions for boards to consider when examining a decision item. The purpose of this document is to eliminate board uncertainty about what kinds of questions boards should be asking. Eliminating uncertainty about questions will strengthen board confidence in decisions while equalizing board participation at meetings.

Specifically, the *Board Decision Item Detailed Guide* is a reference for those preparing the information and provides an option for how the information can be presented to the board. This format includes the different factors and considerations management needs to investigate about an item. In turn, this reflects the considerations boards need to make in evaluating the item.

Boards need to be confident in their decisions and thus, need to be satisfied that they have received sufficient information to make an effective decision. If the board feels that the information provided is insufficient, then the board can defer the item and request more information.

The Board Decision Item

A Board Decision Item is a series of documents for the chief executive officer (CEO) to use to articulate the policy direction, seek input and feedback from other stakeholders and organizations and build support for the recommendation. The board can then use a Board Decision Item to recommend and justify a certain course of action and to secure a decision.

Board Decision Items must meet the needs of the Chairperson and members of the board. Information submitted to the board needs to:

- meet their needs as policy decision-makers;
- be easy to read and relatively short;
- clearly identifies realistic policy choices and their implications;
- describe who has been consulted and the implications of the consultations;
- provide a strategy for communicating the decision;
- provide a brief synopsis of the problem or opportunity, the proposed solution and the manner in which the solution addresses the problem or opportunity; and
- provide the detailed policy analysis.

The Benefits of Using a Board Decision Item

In addition to providing boards with an increase confidence in their decision-making, creating a Board Decision Item:

- encourages more holistic policy development in which all dimensions of a policy are considered and the proposal presents a balanced examination of the issues, alternatives and implications;
- fosters broader based consultation and policy development;

INTRODUCTION

- strengthens planning for implementation and communication;
- provides the CEO/Chairperson with a document they can use to provide direction to senior management; and
- provides the CEO and the various committees with the detailed information they need to analyse the proposal and make recommendations to the Chairperson and board members.
- provides a record of the history and intent of the policy that can be used in future policy development; and
- provides the Chairperson and CEO with a record of the administration's policy analysis.

When to Use a Board Decision Item

The board may use a Board Decision Item when they need help and support in making a decision for:

Policy Requests:

- to develop, amend or clarify a policy position, if the change will be a significant departure from current practice or if the policy is to bring into effect a board priority or commitment; and
- to obtain a decision before negotiating major agreements in order to determine the principles and parameters of the negotiations.

Program Requests:

- to develop, make non-administrative amendments to or delete existing programs;
- that reflect changes in the health service provided or available to the public; or
- that require an indefinite commitment of resources.

Resource Requests:

- for incremental funds (boards are only able to exercise their powers within the limits of the resources that have been provided to them through the budget); or
- if the CEO/chief financial officer needs resources beyond those provided in the budget.

Politically-Sensitive Changes:

- if the change has major political implications, particularly if it is controversial or is likely to generate media attention.

Implementation Requests:

- for approval of implementation plans or communication strategies.

Characteristics of a Board Decision Item

While the format and the processes used in preparation of an item may differ between corporations, the item needs to reflect the specific needs of the corporation and the individual needs of the board members.

In order for a decision-making tool like a Board Decision Item to be useful, the following information should be covered:

Recommendation: If the decision item is suggesting a preferred option, the recommendation should be worded in a way that the board can answer "yes" or "no". The recommendation should define the solution to the problem or clearly identify the opportunity.

Problem/Opportunity: The problem or opportunity, which the decision item is addressing, should be identified. Specifically, if the decision is a problem, the problem, not the

INTRODUCTION

'symptom' should be identified. If the decision is an opportunity, the opportunity should be explicitly described.

Key Issues: A list of key issues surrounding the problem and/or opportunity should be presented. In collecting information, it can be useful to use a SWOT analysis (Appendix A) to help highlight the key issues. The information provided in a Board Decision Item should define the aspects that the board needs to take into account in making their decision.

Rationale: The rationale section provides the reasons why the board should take a certain course of action – it is the justification for the recommendation and why it is superior to the alternatives. The rationale should include the commitments or priorities the recommendation supports, the key groups or interests the recommendation will satisfy and indicate the consequences of not proceeding with the recommendation. Identification of key issues will help form the reasoning for the decision and lend support for the decision that is made.

Implications: The implications section addresses the groups affected, effects on the board, and the policy, internal/external, legal and legislative, political, economic, and financial implications.

Consultation: A decision item should contain information regarding the individuals and groups consulted, the nature and amount of advance consultation, concerns raised, and support/non-support of the individuals and groups consulted.

Communication Strategy: The decision item should contain an analysis of all relevant communication issues as well as a plan for communicating with key internal and external audiences and how board will respond to concerns raised by stakeholders and the public.

BOARD DECISION ITEM TEMPLATE - DETAILED

The Board Decision Item Detailed Guide provides an example of the different documents that make up a Board Decision Item. Some of the information is duplicated in different parts; however, the audience, purpose and context are different.

Part I – Memorandum from the Chief Executive Officer to the Chairperson

The purpose of the memorandum is to provide the overall information including: proposed policy recommendation, sufficient information to provide context and justification for the recommendation, a summary of the choices available and their implications, and the approach to be taken in communicating the decision. Questions to consider in making a decision should be addressed in this section.

Part II – Synopsis of the Proposal

The purpose of the synopsis is to provide a one to two-page summary of the problem or opportunity, the proposed policy solution, and a brief explanation of the manner in which the solution addresses the problem or opportunity. The information in this section may also indicate the next steps, including the key elements of the communications and implementation plan. If the decision is approved, the Chairperson and CEO should be able to use the information in this synopsis to explain the issue to the senior management, Saskatchewan Health, the public and other stakeholders.

Part III – Summary of Advance Consultation

The purpose of the summary is to ensure that the Chairperson and the members of the board are comfortable with the nature and amount of advance consultations. This section also ensures that the Chairperson and members of the board are aware of the concerns raised and know who will support and who will not support the proposal. At times, it will not be appropriate to consult outside of the health region without the Chairperson's prior approval. In these situations, the summary should indicate why external consultation was not appropriate.

Part IV – Communication Strategy

The purpose of the communication strategy section is to provide a detailed analysis of all the relevant communication issues as well as a plan for communicating with key internal and external audiences and responding to concerns raised by stakeholders and the public.

Part V – Detailed Analysis

The purpose of the detailed analysis is to clearly identify the problem or opportunity, to provide a thorough and balanced analysis of the issues, and to provide a logical explanation and justification of the proposed policy and its implications.

PROCESS AND PROCEDURES

The Chairperson and board members rely on thoughtfully developed and rigorously analyzed recommendations to make informed public policy decisions. The board decision-making requires processes that:

- identify the problem;
- outline the options, including the advantages and disadvantages of each option; and
- make a recommendation.

The components within the Board Decision Item are important to ensure that all information is included and presented in such a way that the board can easily understand the problem, the options and the implications in order to make informed decisions.

All documents are **confidential** and must be handled accordingly.

Suggested Process

The proceeding guidelines may be changed as required:

Development of Documents

The CEO will:

- prepare the initial draft of the components of the Board Decision Item; and
- ensure appropriate individuals are informed and consulted throughout the process.

Consultation

Consultation must take place both external and internal to the corporation:

- *External:*
 - Community Advisory Networks; and
 - Community Stakeholders (ex. municipalities, health care organizations).
- *Internal:*
 - Department Heads;
 - Auditor; and
 - Chief Financial Officer.

Timing

- the CEO is to advise the Chairperson that the document is in process and discuss the anticipated time frames.
- it is very important to consult with relevant officials (chief financial officer, other department heads, etc.) to ensure all information is taken into consideration and to avoid unnecessary delays in the process.

Approvals

- determine the “path” to the board (it may have to go to one or more committees for consideration prior to the full board meeting):
 - Finance Committee;
 - Audit Committee;
 - Governance/Negotiating Committee;
 - Human Resources Committee; and
 - Community Advisory Networks.
- determination of the “path” will be dependent on whether there are financial implications, salary compensation issues, or major policy issues that have not yet been considered by the board.

PROCESS AND PROCEDURES

Internal Board “Sign Off”

- at this time, the word “Draft” must be removed from the document.
- prepare the Memorandum from the CEO to the Chairperson recommending that he sign the document.
- if signed by the Chairperson, the CEO will be advised to prepare the appropriate number of copies, example:
 - original to the Chairperson; and
 - one copy for each member.
- the Chairperson then forwards copies of the Board Decision Item to the members of the board.

Implementation

- the Chairperson informs the CEO of decisions made by the board.
- the CEO must implement the decision made by the board. If circumstances have changed significantly from the time the original submission and decision was made, it is possible that another Board Decision Item may be required.

Suggested Procedure

- assign one lead person to draft the document and incorporate comments resulting from consultations.
- limit the number of people to as small a group as possible when consulting on drafts.
- number every draft (automatically in the footer) and mark each page of all drafts “Confidential” and “Draft”.
- consulting via email is allowed with the following restrictions:
 - the list of addresses should be limited to as few people as possible; and
 - there must be a note contained within

the email that says it is a confidential draft of a Board document and should be handled accordingly. Also, it should be noted that the email should NOT be forwarded (other than replying to the person who sent it).

- package documents for delivery outside of the board (i.e. for consultation with stakeholders) should be in a sealed envelope marked “**CONFIDENTIAL**”
- **do not** fax documents.
- always used sealed envelopes marked “**CONFIDENTIAL**”.

Further note:

The board uses all of the components of a Board Decision Item to:

- recommend and justify a certain course of action and to secure a decision; and
- provide verification of issues on which the board has already made a decision but requires an update, or to flag an issue that may require a decision in the near future.

Thus, the board needs multi-faceted information to be well informed and to fulfill their responsibilities. A complete Board Decision Item should satisfy the following questions:

- is the proposal forward-looking, does it contribute to the strategic planning decision and does it enable the members to determine if the proposal can be sustained or improved in the future?
- does the information identify and explain the options considered and the consequences of each and does it shed light on the reasonableness of the proposal?
- does the Board Decision Item recognize the unique characteristics of the board?

PROCESS AND PROCEDURES

- does the Board Decision Item promote a clear understanding of the proposal without oversimplifying the objective or inundating the members with details?
 - does the Board Decision Item provide information regarding who has been consulted and the implications of the consultations?
 - does the Board Decision Item provide for a strategy for communicating the decision?
- When composing a Board Decision Item, it should be noted that:
- the CEO, Chairperson and the members of the board will use the Board Decision Item when a policy decision is required and when mid-year resources are required.
 - it is intended to meet the needs of most decision requirements. Because not all implications affect all circumstances, the format contains only the headings that are almost always required. Other headings should be incorporated if they are applicable to the situation or if they will help the board to understand the issue better and arrive at an informed decision.
- political implications refer to the effects (positive, negative, neutral) that a particular course of action will have on the public as a whole, particular groups, or key stakeholders.
 - the information needs of the board should be considered when completing the detailed analysis. Additional attention should be given to those areas that the board will be most interested in. Some elements or parts of the format may not be applicable to submissions seeking approval of implementation or communication strategies.

PART 1

MEMORANDUM

The purpose of the memorandum is to provide the policy recommendation, sufficient information to provide context and justification for the recommendation, a summary of the choices available and their implications and the approach to be taken in communicating the decision.

The audience for the drafter is the Chief Executive Officer (CEO). Once the CEO signs the document, the audience is the Chairperson and members of the board.

From

If the Chief Executive Officer or other senior managers are sponsoring the item, it is directed to the Chairperson and the members of the board.

To

To the Chairperson and All Members of the Board.

Title of Submission

Use a descriptive phrase to summarize the purpose of the Board Decision Item.

The memorandum is the most important part of the Board Decision Item and must provide the information needed to make an informed decision. This part is not simply a summary of the detailed analysis – although it will include and reflect significant elements of that analysis. It is more the ‘take’ on the issue. If the submission is intended to seek approval of an implementation and/or communications strategy, the focus will be on the strategic considerations related to implementation and communications issues.

The memorandum should be written in clear, concise language and should accurately, briefly

and clearly present the decision. It should be about five pages long, but may be slightly longer for complex issues and shorter for simple issues.

The memorandum should be drafted and circulated with other parts of the Board Decision Item as necessary (but confidentially) to ensure it identifies and deals with all relevant issues from the board’s perspective. It should then be meticulously edited to remove ambiguity and redundancy. Lay language works best, so avoid technical terms and acronyms, unless they are commonly understood. Bullets may be used; however, the use of bullets must be based on a logic track (e.g. as smaller points under a larger point or as a list of components within some category).

Recommendation

The recommendation is the preferred option, worded in a way that the board can answer ‘yes’ or ‘no’. It is the solution to the problem or opportunity identified. The recommendation should be written in enough detail that the decision and any directions are absolutely clear. The recommendation(s) must be self-contained (i.e. they cannot refer to other parts of the document).

Some recommendations may have several parts that may not be mutually exclusive. For ease of consideration, these should be separated and numbered accordingly [1.,a., (i)]. The components should begin with a verb (e.g. ‘Approve’; ‘Endorse’; ‘Adopt’; ‘Grant’; ‘Deny’, etc.). The recommendations should include all approvals necessary to implement the decision, for example, amendments to policies, creation of new policies, additional resources (funding, capital, personnel), and review and evaluation requirements. This section should NOT include the rationale for, implications of, or background to the recommendation.

PART 1: MEMORANDUM

Ensure the wording of a recommendation is appropriate.

Problem/Opportunity Statement and Summary of Key Issues

The problem statement is a brief but explicit definition of the problem being addressed. In this section, the real or underlying problem and not just a ‘symptom’. If the Chairperson and members of the board wish to pursue an opportunity that has been identified, provide a brief but explicit description of the opportunity.

In addition, a short summary or list of the key issues surrounding both the problem/opportunity and the solution (i.e. the recommendation) should be included. Key issues are the main considerations the board needs to take into account in making their decisions. Defining the problem/opportunity and key issues helps the board understand how the problem has been approached.

In this section, the following questions should be addressed:

- who has primary responsibility for addressing the problem/opportunity?
- is the problem/opportunity shared among two or more departments and if so, which ones?
- do they concur with the definition of the problem, the alternatives available and the proposed solution?

To help decide key issues, the following questions should also be considered:

- is this an issue to be dealt with at the board level and warrants the board's involvement?
- what are our assumptions about this issue?
- why is change needed?
- what are we trying to accomplish with

this opportunity? or solve with this problem?

- how will the proposed policy/solution solve the problem?
- what are the advantages and consequences, if any, of status quo?
- what are the advantages and consequences of the making a change?
- what policies support the change?
- is the opportunity consistent with the mission, values and goals of the organization? Or, if a problem, is resolving the problem consistent with the mission, values and goals of the organization?
- have other RHAs faced this same situation? How did they seek resolution?
- are there risks associated with the issue? If yes, what are they? What weight does each carry? If there are risks, what processes are in place that could effectively manage the identified risks?
- what prior experience or expertise do we have in this area?

Stakeholders

- who is involved?
- who is affected by the problem or opportunity? How are they affected?
- are there stakeholders that are indirectly affected and if so, how?
- what is our relationship with these stakeholders? Will this relationship help or hinder implementation of the recommendation?
- who will react negatively to the decision?
- has there been feedback from stakeholders about the issue? What does this information indicate?

Background

The section answers the questions “why this; why

PART 1: MEMORANDUM

now?" (i.e. what has prompted this issue to be brought forward at this time). The information in this section should indicate whether the issue is a new issue or an issue that has arisen before. This information can be found by asking questions that help define the problem or opportunity (as above). Specifically, this section focuses on the problem or opportunity, who is involved, and why the issue needs to be addressed.

Rationale

The Rationale Section contains the reasons why the board should take a certain course of action. The rationale is the justification for the recommendation. This section advocates a specific course of action and explains why the recommended course of action is the best among the choices available. It is therefore necessary to:

- state why the recommendation is superior to the alternatives;
- if appropriate, indicate which commitments or priorities the recommendation supports;
- if appropriate, indicate which key groups or interests the recommendation will satisfy; and
- indicate what the consequences are of not proceeding with the recommendation.

Questions to consider in composing this section are:

- how will the proposed policy/solution solve the problem?
- what are the advantages and consequences, if any, of status quo?
- what are the advantages and consequences of the making a change?
- what policies support the change?
- is the opportunity consistent with the mission, values and goals of the organization? Or, if a problem, is

resolving the problem consistent with the mission, values and goals of the organization?

- are there risks associated with the issue? If yes, what are they? What weight does each carry? If there are risks, what processes are in place that could effectively manage the identified risks?
- what prior experience or expertise do we have in this area?

Include only the most crucial reasons, in descending order of importance. Do not include a detailed description of the alternatives to the recommendation here.

If the Board Decision Item is short or relatively straightforward, it may be desirable to combine the Background and Rationale into one section.

Implications

The Implications Section addresses all of the factors that must be considered by the board. It provides a brief summary of the implications of the recommendation. The following provides an overview of some the key questions that should be considered.

Specific Groups

- have the impacts groups with unique needs been adequately considered?
- are there any differential effects for people living in rural, northern or urban areas?
- what will be the effect on clients/patients?
- will the health care organizations be affected? How?

Policy Implications

- how does the proposal fit with board's policy priorities and objectives?
- what is the effect on the board's strategic plan, operational plan or other related planning documents?

PART 1: MEMORANDUM

- what areas/communities in the region will be affected? how will they be affected?
- which specific departments/programs/services of the board will be affected? how so?
- what are the short and long-term implications?
- if the proposal is a departure from stated board objectives, what is the justification for this departure?

Internal/External Implications

- what are the implications for other organizations in the health region and Saskatchewan?
- what are the provincial implications?
- are there opportunities for reducing overlap and duplication?
- how have other health regions/ other jurisdictions dealt with the issue?
- how does the proposal compare with other health region's/other jurisdiction's approaches?

Legal and Legislative Implications

- have the legislative and legal dimensions of the problem been explored and identified?

Political Implications

- what are the major political sensitivities the board must be aware of?
- how are various political objectives balanced?
- who are the winners and losers?

Economic Implications

- what are the administrative, non-administrative and compliance cost implications for the board?

Financial Implications

- what is the previous funding history,

- including human and financial resources?
- what is the magnitude of the funding requested including human, capital, space and financial requirements?
- is the funding for a one-time initiative or will it be indefinite?
- will there be sun setting of the funding and if so when?
- what factors might influence future funding requirements?
- how will the proposal be funded?
- are there options that would not require additional funding or full funding?
- will there be any new sources of revenue, increases or decreases in existing revenues?
- what similar initiatives are, or have been funded?
- are initiatives to achieve similar ends in place?

Human Resource Implications

- what are the implications for existing jobs?
- what is the affect on permanent and part-time employees?
- how will the initiative affect the board's ability to recruit and retain "hard" to recruit occupations?
- are there collective agreement/bargaining considerations/impacts?

Looking ahead

- What has been done previously? Was it successful? Why or why not?
- How will the proposed change impact the future of the organization?
- How will we know if the problem has been solved? How will we know if the opportunity was successful?
- What arrangements, if any, will need to be made to support the recommendation?

PART 1: MEMORANDUM

- How will undertaking this opportunity or solving this problem further the organization achieving its objectives?

Communications Approach

This section is a brief overview of the main features of the Communication Strategy including the most significant strategic consideration, the level of profile and the key message. It should indicate timing of the major public elements of the strategy.

It may be omitted in Board Decision Items that request approval of a Communication Strategy because it will be covered in the Recommendation, Rationale, and Implications sections.

Alternatives to the Recommendation

In this section, briefly outline two or three realistic and viable alternatives to the recommendation, and the main advantages and disadvantages of each.

After reading the alternatives, the board should understand the choices available and the rationale. This section does not include a description of the recommended option.

Consider:

Status Quo:

- Is maintaining the status quo feasible?
- What are the advantages and disadvantages of this option?

Other Alternatives:

- What are other realistic alternatives?
- What are the advantages and disadvantages?

- Consider the key issues, results of consultations and analysis of the solution and its implications when determining advantages and disadvantages.

Time Frame

This section serves two purposes:

1. Provides an indication of the urgency of the submission - why a decision is needed at this time and the consequences of not making a decision now. Refer to major sensitivities, urgent deadlines (e.g. budget or legislative deadlines; internal/external deadlines).
2. Provides the board with the time frame for implementation of the decision. For example, if the decision is an early step in a larger process (e.g. approve document for consultations) or if the decision will be implemented immediately.

Signature

The chief executive officer's signature signifies he understands and agrees with the recommendation and is prepared to lead a discussion on it at a board meeting. This signature also authorizes a review of the proposal by Chairperson and board members and placement on the board agenda.

Drafts of any of the parts may be considered board documents and must be treated accordingly. Once the Memorandum is signed the highest degree of confidentiality applies.

PART 1: MEMORANDUM

MEMORANDUM BOARD DECISION ITEM

From: Chief Executive Officer
To: Chairperson and
All Members of the Board
Re:

Date:

RECOMMENDATION

PROBLEM STATEMENT AND SUMMARY OF KEY ISSUES

BACKGROUND

RATIONALE

IMPLICATIONS

COMMUNICATION APPROACH

ALTERNATIVES TO THE RECOMMENDATION

TIME FRAME

Chief Executive Officer
Board

PART II

SYNOPSIS OF THE PROPOSAL

The purpose of the Synopsis is to provide a brief summary of the problem or opportunity, the proposed policy solution and a brief explanation of the manner in which the solution addresses the problem or opportunity. It also identifies the key issues and policy and political implications from the perspective of the board.

The Synopsis indicates the next steps as outlined in the implementation plan and communication strategy and the key communication messages.

If the decision is approved, the board should be able to use the information in this Synopsis to explain the issue to others.

The board's communications staff could assist staff with the drafting of this Synopsis, or perhaps draft it when preparing the Communication Strategy.

PART III

SUMMARY OF ADVANCE CONSULTATION

This section should briefly summarize the consultation that was done on the issue.

The purpose of this section is to ensure the Chairperson and members of the board are:

- comfortable with the nature and amount of advance consultation; and
- aware of the concerns raised and know who will support and who will not support the proposal.

If it is not appropriate to consult outside the health region without the Chairperson's prior approval, the summary should indicate why external consultation was not appropriate.

PART IV

COMMUNICATION STRATEGY

The Communication Strategy is primarily for the Chairperson and the members of the board, however, once developed and approved, it is part of the action plan for the chief executive officer.

The Communication Strategy is a detailed analysis of all relevant communication issues as well as a plan for communicating with key internal and external audiences and responding to concerns raised by stakeholders and the public. The Communications Strategy section should at least cover the following points:

- how and when decisions will be communicated;
- how the strategy is adequately coordinated with other activities of the board?
- definition of clear messages;
- identification of clear target audiences; and
- what methods will be used.

The detailed Communication Strategy should be prepared in accordance with the procedures recommended by the board. The length of the Communication Strategy will vary depending on the complexity of the policy issue and the number of stakeholders affected.

Some of the information in this Communication Strategy will be used to prepare the Communication Approach in the Memorandum and Synopsis of the Proposal.

It is important to co-ordinate the preparation of the Communication Strategy with the preparation of the Detailed Analysis and Advance Consultation. Information drawn from the Detailed Analysis and Advance Consultation will need to be linked.

The Chairperson must approve the Communication Strategy **before** the Board Decision Item is provided to the CEO for signature. Communication staff must be involved in the early stages of developing the Board Decision Item to ensure an appropriate Communication Strategy is prepared and to help co-ordinate the necessary approvals.

Communication Challenge

In one or two sentences, summarize the issue and the environment from a communication perspective and explain what has to be communicated and the key sensitivities.

Strategic Communication Considerations

The information in this section selects the background that is relevant to communicating the decision. Therefore, it should not be a repeat of the entire background found in the Detailed Analysis.

Facts that would typically be relevant and should be included in this section include:

- facts that provide the context for the Communication Strategy;
- strategic considerations that are the base support/rationale for the communication approach and activities recommended;
- public environment and major internal/external impacts or related issues that affect communicating the decision;
- research done including any polling, focus group and related research that captures the public mood; and
- media scan that is an assessment of recent media coverage of the issue or specifically related issues.

Key Stakeholder Assessment

Analyse what key stakeholders have been doing in relation to the specific issue. Drawing on the results of the advance consultations and other

PART IV: COMMUNICATION STRATEGY

information, determine what they are likely to want in terms of a decision, how they are likely to react to the recommended decision, and the type of response that is most appropriate to their reaction.

Saskatchewan Health: Prior to finalizing the communication strategy, you could contact the Communications Branch, Saskatchewan Health, for assistance to ensure all aspects from the government's perspective have been met. The Communications Branch may make recommendations as to how best to handle sensitive issues.

Communication Goals and Objectives

Goals are what you would like your communication efforts to achieve. Objectives are the measurable indicators of the stated goals. They should measure the impact on the audiences and stakeholder groups, usually in terms of behaviours or beliefs. List the communication goals (no more than six) and objectives in bullet form.

Key Communication Message

If there were only one idea that you would want the public to remember in order to support the goals of your strategy, what would that message be? This idea is the key message.

Communication Action Plan

The Communication Action Plan should indicate how the internal and external audiences would be reached. Divide the action plan into two parts:

1. *General Approach:* provides the narrative and rationale for the communication plan.
2. *Activity Plan:* identifies specific activities, the tools to be used and the timing related to each. If a news release and information package for Community Advisory Networks are needed, they should be part of the activity plan.

Communication Budget

List all cost items grouped by communication activity, along with the estimated cost and the source of revenue for these activities (e.g. communication budget, special one-time funding, etc.).

Evaluation of Communication Strategy

List the evaluation mechanisms to be applied and how success will be measured.

PART V

DETAILED ANALYSIS

The Detailed Analysis is prepared before the Memorandum. Using a SWOT tool (Appendix A) can help highlight the issue details and provide justification for a recommendation.

Information from the Detailed Analysis is used in preparing the Memorandum, Synopsis and Communication Strategy.

This Detailed Analysis Section provides the board with a document that:

- can be used to obtain approval to proceed with a certain proposal and to assure all implications have been identified and addressed;
- supports the proposal from the perspective of good public policy and as a reference in leading discussions and responding to the board;
- contains detailed information to analyse the proposal;
- contains details for department heads, should they want the detail;
- is a record of the history and intent of the policy and a reference for further policy development; and
- is an archival document for the board.

Given the multiple purposes of the Detailed Analysis, the organization of this Part is different from Part I (Memorandum).

The Detailed Analysis should:

- define the problem or opportunity, review its history, recommend an option and describe and analyse it, identify and analyse viable alternatives and identify implementation considerations and plans;
- be policy focussed, complete and accurate;
- present a thorough and balanced analysis of the issue, as well as a logical explanation and justification of the proposal and its implications; and
- be as concise and comprehensible as possible .

Definition of the Problem/Opportunity

The purpose of this section is to formulate a brief but explicit definition of the problem or opportunity being addressed. In developing the definition, consider what the problem is that you are trying to solve or what the opportunity is that you are trying to seize. Go beyond the symptoms to the crux of the issue. Getting an accurate definition of the problem or opportunity is critical, and will inform what approaches are realistic.

APPENDIX A

SWOT TOOL

Introduction

A SWOT analysis is a strategic tool, which provides a look at the environment (both internal and external) in which the issue is situated. The analysis helps find a solution that best utilizes the organization's capabilities (i.e. strengths and resources) in line with the external environment (threats and opportunities). Ideally, the chosen recommendation takes advantage of the organization's opportunities by using its strengths and guards against threats by avoiding them or correcting or compensating for the organization's weaknesses.

Application

SWOT represents Strengths, Weaknesses, Opportunities and Threats.

| External Environment | Threats | Confront | Avoid |
|----------------------|---------------|------------|--------|
| Internal Environment | Opportunities | Exploit | Search |
| | Strengths | Weaknesses | |

- A **strength** can be a resource which the organization can use to achieve its objectives;
- A **weakness** is a limitation, fault, or defect in the organization that will keep the organization from effectively achieving its objectives;

- An **opportunity** is a favorable situation in the organization's environment. It is usually a trend or change of some kind or an overlooked need that increased demand for a service and permits the organization to enhance its position by supplying it; and
- A **threat** is an unfavorable situation in the organization's environment that is potentially damaging to its strategy. The threat may be a barrier, a constraint, or anything external that might cause problems.

To begin a SWOT analysis, key facts about the organization and its environment need to be collected. This includes facts about the organization's objectives, competition, financial resources, facilities, employees, management, environment setting (e.g. technological, political, social economic trends), history and reputation.

The collected data is then evaluated to determine whether the facts are strengths, weaknesses, opportunities or threats for the organization. Individuals in the group may do this separately with the results being compared afterwards. Where there is disagreement on the evaluation of a point the group needs to question - "How may this fact be considered as an opportunity as well as a threat?"; "How may this apparent strength turn out to be a weakness?"; "How does this weakness really represent a strength?" The answers to these types of questions may give boards new insights into choosing appropriate strategies.

BOARD DECISION ITEM: SUMMARY GUIDE



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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INTRODUCTION

Governing bodies can enhance the quality of their decisions by working together with management to ensure that the board has received complete and meaningful information.

Governing bodies that can demonstrate that they obtain and use such information are likely ones who decisions, while not always agreed with, will be respected. They will enjoy greater public confidence and be seen to have fulfilled their due diligence responsibilities.

The *Board Decision Item Summary Guide* and the *Board Decision Item Detailed Guide* have been developed to assist boards in their decision-making process. The *Guides* contains topics and questions for boards to consider when examining a decision item. The purpose of this document is to eliminate board uncertainty about what kinds of questions boards should be asking. Eliminating uncertainty about questions will strengthen board confidence in decisions while equalizing board participation at meetings.

Specifically, the *Board Decision Item Detailed Guide* is a reference for those preparing the information and provides an option for how the information can be presented to the board. This format includes the different factors and considerations management needs to investigate about an item. In turn, this reflects the considerations boards need to make in evaluating the item.

Boards need to be confident in their decisions and thus, need to be satisfied that they have received sufficient information to make an effective decision. If the board feels that the information provided is insufficient, then the board can defer the item and request more information.

The Board Decision Item

A Board Decision Item is a series of documents for the chief executive officer (CEO) to use to articulate the policy direction, seek input and feedback from other stakeholders and organizations and build support for the recommendation. The board can then use a Board Decision Item to recommend and justify a certain course of action and to secure a decision.

Board Decision Items must meet the needs of the Chairperson and members of the board. Information submitted to the board needs to:

- meet their needs as policy decision-makers;
- be easy to read and relatively short;
- clearly identifies realistic policy choices and their implications;
- describe who has been consulted and the implications of the consultations;
- provide a strategy for communicating the decision;
- provide a brief synopsis of the problem or opportunity, the proposed solution and the manner in which the solution addresses the problem or opportunity; and
- provide the detailed policy analysis.

The Benefits of Using a Board Decision Item

In addition to providing boards with an increase confidence in their decision-making, creating a Board Decision Item:

- encourages more holistic policy development in which all dimensions of a policy are considered and the proposal presents a balanced examination of the issues, alternatives and implications;
- fosters broader based consultation and policy development;

INTRODUCTION

- strengthens planning for implementation and communication;
- provides the CEO/Chairperson with a document they can use to provide direction to senior management; and
- provides the CEO and the various committees with the detailed information they need to analyse the proposal and make recommendations to the Chairperson and board members.
- provides a record of the history and intent of the policy that can be used in future policy development; and
- provides the Chairperson and CEO with a record of the administration's policy analysis.

When to Use a Board Decision Item

The board may use a Board Decision Item when they need help and support in making a decision for:

Policy Requests:

- to develop, amend or clarify a policy position, if the change will be a significant departure from current practice or if the policy is to bring into effect a board priority or commitment; and
- to obtain a decision before negotiating major agreements in order to determine the principles and parameters of the negotiations.

Program Requests:

- to develop, make non-administrative amendments to or delete existing programs;
- that reflect changes in the health service provided or available to the public; or
- that require an indefinite commitment of resources.

Resource Requests:

- for incremental funds (boards are only able to exercise their powers within the limits of the resources that have been provided to them through the budget); or
- if the CEO/chief financial officer needs resources beyond those provided in the budget.

Politically-Sensitive Changes:

- if the change has major political implications, particularly if it is controversial or is likely to generate media attention.

Implementation Requests:

- for approval of implementation plans or communication strategies.

Characteristics of a Board Decision Item

While the format and the processes used in preparation of an item may differ between corporations, the item needs to reflect the specific needs of the corporation and the individual needs of the board members. (A sample Board Decision Item memorandum template is located in Appendix A).

In order for a decision-making tool like a Board Decision Item to be useful, the following information should be covered:

Recommendation: If the decision item is suggesting a preferred option, the recommendation should be worded in a way that the board can answer "yes" or "no". The recommendation should define the solution to the problem or clearly identify the opportunity.

Problem/Opportunity: The problem or opportunity, which the decision item is

INTRODUCTION

addressing, should be identified. Specifically, if the decision is a problem, the problem, not the ‘symptom’ should be identified. If the decision is an opportunity, the opportunity should be explicitly described.

Key Issues: A list of key issues surrounding the problem and/or opportunity should be presented. In collecting information, it can be useful to use a SWOT analysis (Appendix A) to help highlight the key issues. The information provided in a Board Decision Item should define the aspects that the board needs to take into account in making their decision.

Rationale: The rationale section provides the reasons why the board should take a certain course of action – it is the justification for the recommendation and why it is superior to the alternatives. The rationale should include the commitments or priorities the recommendation supports, the key groups or interests the recommendation will satisfy and indicate the consequences of not proceeding with the recommendation. Identification of key issues will help form the reasoning for the decision and lend support for the decision that is made.

Implications: The implications section addresses the groups affected, effects on the board, and the policy, internal/external, legal and legislative, political, economic, and financial implications.

Consultation: A decision item should contain information regarding the individuals and groups consulted, the nature and amount of advance consultation, concerns raised, and support/non-support of the individuals and groups consulted.

Communication Strategy: The decision item should contain an analysis of all relevant communication issues as well as a plan for communicating with key internal and external audiences and how board will respond to concerns raised by stakeholders and the public.

QUESTIONS

Introduction

This section highlights a series of questions for board members to consider when reviewing a decision item. These questions are meant to help understand the issue and assess the alternatives and their implications. Not every question will apply to each issue. This list is not exhaustive and the questions are meant to prompt further investigation. A diagnostic tool to help determine what questions are important to your organization is located in Appendix C.

Asking questions helps to compile the rational and implications sections of a Board Decision Item. Considering the questions also helps to determine the implications of a recommendation plus what factors to consider in implementation of the chosen recommendation.

If the provided information is insufficient such that a board cannot be confident in their decision, then it is the board's right to defer the agenda item and request more information. Board members need to be satisfied with the answers and that the appropriate information has been identified and discussed.

Key Questions

Defining the Issue and Alternatives

- is this an issue to be dealt with at the board level and warrants the board's involvement?
- what are our assumptions about this issue?
- why is change needed?
- what are we trying to accomplish with this opportunity? or solve with this problem?

- how will the proposed policy/solution solve the problem?
- what are the advantages and consequences, if any, of status quo?
- what are the advantages and consequences of the making a change?
- what policies support the change?
- is the opportunity consistent with the mission, values and goals of the organization? Or, if a problem, is resolving the problem consistent with the mission, values and goals of the organization?
- have other RHAs faced this same situation? How did they seek resolution?
- are there risks associated with the issue? If yes, what are they? What weight does each carry? If there are risks, what processes are in place that could effectively manage the identified risks?
- what prior experience or expertise do we have in this area?

Stakeholders

- who is involved?
- who is affected by the problem or opportunity? How are they affected?
- are there stakeholders that are indirectly affected and if so, how?
- who will benefit from the opportunity or from solving the problem?
- what is our relationship with these stakeholders? Will this relationship help or hinder implementation of the recommendation?
- who will react negatively to the decision?
- has there been feedback from stakeholders about the issue? What does this information indicate?
- what does our action suggest to stakeholders?

QUESTIONS

Considering Implications

Specific Groups

- have the impacts groups with unique needs been adequately considered?
- are there any differential effects for people living in rural, northern or urban areas?
- what will be the effect on clients/patients?
- will the health care organizations be affected? How?

Policy Implications

- how does the proposal fit with board's policy priorities and objectives?
- what is the effect on the board's strategic plan, operational plan or other related planning documents?
- what areas/communities in the region will be affected? how will they be affected?
- which specific departments/programs/services of the board will be affected? how so?
- what are the short and long-term implications?
- if the proposal is a departure from stated board objectives, what is the justification for this departure?

Internal/External Implications

- what are the implications for other organizations in the health region and Saskatchewan?
- what are the provincial implications?
- are there opportunities for reducing overlap and duplication?
- how have other health regions/ other jurisdictions dealt with the issue?
- how does the proposal compare with other health region's/other jurisdiction's approaches?

Legal and Legislative Implications

- have the legislative and legal dimensions of the problem been explored and identified?

Political Implications

- what are the major political sensitivities the board must be aware of?
- how are various political objectives balanced?
- who are the winners and losers?

Economic Implications

- what are the administrative, non-administrative and compliance cost implications for the board?

Financial Implications

- what is the previous funding history, including human and financial resources?
- what is the magnitude of the funding requested including human, capital, space and financial requirements?
- is the funding for a one-time initiative or will it be indefinite?
- will there be sun setting of the funding and if so when?
- what factors might influence future funding requirements?
- how will the proposal be funded?
- are there options that would not require additional funding or full funding?
- will there be any new sources of revenue, increases or decreases in existing revenues?
- what similar initiatives are, or have been funded?
- are initiatives to achieve similar ends in place?

QUESTIONS

Human Resource Implications

- what are the implications for existing jobs?
- what is the affect on permanent and part-time employees?
- how will the initiative affect the board's ability to recruit and retain "hard" to recruit occupations?
- are there collective agreement/bargaining considerations/impacts?

Looking ahead

- What has been done previously? Was it successful? Why or why not?
- How will the proposed change impact the future of the organization?
- How will we know if the problem has been solved? How will we know if the opportunity was successful?
- What arrangements, if any, will need to be made to support the recommendation?
- How will undertaking this opportunity or solving this problem further the organization achieving its objectives?

Note:

The Canadian Institute of Chartered Accountants (CICA) has published a number of books to assist boards. The Board of Directors series provide a set of questions on different topics. Some titles in the series include:

- *20 Questions Directors Should Ask About Privacy*
- *20 Questions Directors Should Ask About Management's Discussion and Analysis*
- *20 Questions Directors Should Ask About Executive Compensation*
- *20 Questions Directors Should Ask About Risk*
- *20 Questions Directors Should Ask About Strategy*
- *20 Questions Directors Should Ask About Internal Audit*

More information on the books and ordering information can be found online at http://www.cica.ca/index.cfm/ci_id/3083/la_id/1.htm or by contacting CICA at:

**The Canadian Institute
of Chartered Accountants**

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APPENDIX A

BOARD DECISION ITEM MEMORANDUM TEMPLATE

**MEMORANDUM
BOARD DECISION ITEM**

From: Chief Executive Officer
To: Chairperson and
All Members of the Board
Re:

Date:

RECOMMENDATION

PROBLEM STATEMENT AND SUMMARY OF KEY ISSUES

BACKGROUND

RATIONALE

IMPLICATIONS

COMMUNICATION APPROACH

ALTERNATIVES TO THE RECOMMENDATION

TIME FRAME

Chief Executive Officer
Board

APPENDIX B

SWOT TOOL

Introduction

A SWOT analysis is a strategic tool, which provides a look at the environment (both internal and external) in which the issue is situated. The analysis helps find a solution that best utilizes the organization's capabilities (i.e. strengths and resources) in line with the external environment (threats and opportunities). Ideally, the chosen recommendation takes advantage of the organization's opportunities by using its strengths and guards against threats by avoiding them or correcting or compensating for the organization's weaknesses.

Application

SWOT represents Strengths, Weaknesses, Opportunities and Threats.

| External Environment | Threats | Confront | Avoid |
|----------------------|---------------|------------|--------|
| Internal Environment | Opportunities | Exploit | Search |
| | Strengths | Weaknesses | |

- A **strength** can be a resource which the organization can use to achieve its objectives;
- A **weakness** is a limitation, fault, or defect in the organization that will keep the organization from effectively achieving its objectives;

- An **opportunity** is a favorable situation in the organization's environment. It is usually a trend or change of some kind or an overlooked need that increased demand for a service and permits the organization to enhance its position by supplying it; and
- A **threat** is an unfavorable situation in the organization's environment that is potentially damaging to its strategy. The threat may be a barrier, a constraint, or anything external that might cause problems.

To begin a SWOT analysis, key facts about the organization and its environment need to be collected. This includes facts about the organization's objectives, competition, financial resources, facilities, employees, management, environment setting (e.g. technological, political, social economic trends), history and reputation.

The collected data is then evaluated to determine whether the facts are strengths, weaknesses, opportunities or threats for the organization. Individuals in the group may do this separately with the results being compared afterwards. Where there is disagreement on the evaluation of a point the group needs to question - "How may this fact be considered as an opportunity as well as a threat?"; "How may this apparent strength turn out to be a weakness?"; "How does this weakness really represent a strength?" The answers to these types of questions may give boards new insights into choosing appropriate strategies.

APPENDIX C

SELF-DIAGNOSTIC TOOL

Introduction

At times it can be difficult to assess which questions are most important to helping your organization fulfill their objectives. Identification of what factors are of critical importance to your organization will help determine what information is needed to support decisions. For example, if your organization places high value on stakeholder (i.e. public, patients) satisfaction then you will be particularly interested questions that address how the issue and recommendation affect your stakeholders.

The following checklist contains thoughts to highlight what aspects are most critical to your organization. Asking “*is it most important that...*” will help in the selection and justification of a recommendation.

Management Direction – Does everyone understand what they are meant to be doing?

- whether our organization’s mission, vision and priorities are clear, and are understood and shared throughout the organization?
- whether the provincial expectations for regional health authorities as outlined in the *Roles and Expectations of the Minister of Health and Saskatchewan’s Regional Health Authorities* document are understood throughout the organization?
- whether there are shared values that bind our organization together and help the diversity of professional, administrative and cultural backgrounds work together?
- whether staff have the authority and tools they need to make decisions and take action, consistent with the responsibilities assigned to them?

Relevance – *Do our activities continue to make sense in terms of the conditions, needs or problems to which they are intended to respond?*

- knowing the nature and extent of the conditions, needs or problems for the region and its population – now, and as they may have changed over time?
- knowing what other health authorities and organizations are doing in relation to these conditions, needs or problems?
- understanding the value-added that our health care services are intended to provide in this context?
- are the health care services we are currently providing relevant and appropriate to the needs of the community?

Appropriateness – *Are levels of effort and selected methods of pursuing objectives sensible and sufficient?*

- degree to which each health care service is necessary for the accomplishment of stated objectives for the region
- degree to which each health care service provided by the organization is necessary for the accomplishment of the stated provincial goals outlined in *The Action Plan for Saskatchewan Health Care*
- whether our health care services are designed and delivered in a manner that best responds to the nature and extent of the conditions, needs or problems identified?
- whether the overall level and distribution of effort represented by our services is proportional to stated objectives, identified needs, etc. for the region?

APPENDIX C: SELF-DIAGNOSTIC TOOL

Achievement of Intended Results – How challenging are our established goals, and have they been accomplished?

- extent to which our achievements in key result areas meet expectations in terms of (as applicable): the conditions, needs or problems concerned; established performance targets outlined by the *Performance Management Accountability Indicators* document; past organizational performance; the performance of comparable organizations or activities?
- whether we are meeting our own prescribed standards of practice i.e. we are doing the right things right?
- whether we are meeting the objectives and targets set out for us by the province and as outlined in the *Performance Management Accountability Indicators document*?

Acceptance – Are patients and other key stakeholders satisfied with the organization and its services?

- knowing the expectations of our patients, our communities, Saskatchewan Health and other key stakeholders and understanding the basis for these expectations?
- the extent to which our patients, our communities, Saskatchewan Health and other key stakeholders indicate acceptance or satisfaction with the organization and its products or services?
- whether the organization and its health care services are respected within its peer network?
- does the organization seek input from patients and stakeholders?
- does the organization disclose relevant information in a timely manner?

Secondary impacts – What are the unintended effects of our activities, be they positive or negative?

- understanding the secondary impacts (e.g. social, economic, financial, environmental, etc.) that our activities or services could have on our patients, other key stakeholders, related organizations and programs, and/or the community at large?
- being able to explain secondary impacts that significantly impede or work at cross-purposes to our stated objectives, or where such information might call into question the value attached to primary objectives?

Costs and productivity – Are the relationships between costs, inputs and outputs favorable?

- whether defined service standards are being met at least cost?
- extent to which there is an appropriate balance between capital investments and operating expenses, overhead and operations expenses, capacity-utilization of major resources, etc?
- how we compare to similar health authorities with respect to the above matters?
- whether we meet the objectives outlined in our strategic plan and budget?

Responsiveness – How well are we anticipating and responding to change?

- whether the organization has effective networks and processes to identify and assess important events and trends in its environment?
- the degree to which the organization has a history of being able to adapt or respond successfully to changing needs, circumstances, etc.?

APPENDIX C: SELF-DIAGNOSTIC TOOL

- how the practices and track-record of the organization in this regard compare to similar organizations?
- how well do we respond to patient, public and stakeholder concerns?

Financial Results – *How good are the financial results in terms of matching costs with revenues and appropriations, and financial assets with obligations?*

- whether our books of account, records and financial management control and information systems are in accordance with sound financial policies and procedures?
- how our cost and revenue ratios compare to similar organizations?
- the extent to which our organization's overall financial position is viable?
- whether our organization discloses appropriate financial reports in a timely manner?

Working Environment – *Is it a happy, healthy and constructive working environment where staff are motivated to work together, adapt to change, and develop?*

- the degree to which our staff have the ability and opportunity to provide services to patients in a way that is valued by patients?
- whether our staff are performing to stated and agreed expectations, and are receiving appropriate recognition for their efforts?
- whether our human resources management plan is integrated into the organization's culture and operating plans, thus enabling the recruitment, retention, development and replenishment of well-qualified people?

- whether our organization has strategies for recruitment and retention of health care professionals?
- whether there is respect throughout the organization?
- whether the organization has created a culture of openness and transparency?

Protection of Assets – *How well do we protect against surprise events or losses of key personnel, critical occupations, client information, facilities, equipment, inventories, processes or agreements?*

- whether we have strategies that adequately respond to the nature and level of risk of impairment or loss of our organization's key assets?
- whether these strategies and the organization's performance comply with applicable regulation?
- how these strategies and performance compare with the industry in general?
- whether contingency plans are in place to replace CEO?

Monitoring and Reporting – *Do management have the information they need to support their decision-making and their own accountability, and do they use it appropriately?*

- whether the board and management receive complete, credible and fair information that satisfies their decision-making and accountability requirements?
- whether accountability reporting by management is done in a transparent manner? The right things are reported to the governing body at the right time and in the appropriate level of detail or aggregation?
- the extent to which monitoring and reporting systems are fair and effective?
- the extent to which evaluation is fair, regular, and consistent?

BOARD EVALUATION TOOL



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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INTRODUCTION

Evaluation is part of the whole cycle of corporate governance. Best practices in corporate governance indicate that boards should establish formal processes for evaluating the performance of the board as a whole, board committees, board chair and board members. This will help in fulfilling the board's responsibility to those to whom it is accountable.

It is important to remember that board assessment and evaluation exists first to aid individuals and only second to highlight performance shortfalls.

Some of the benefits of evaluation are the opportunities it provides to:

- highlight successes;
- learn what processes are working well;
- identify and implement changes to areas requiring improvement;
- self-improve;
- inform board renewal;
- change policies or practices; and
- inform reallocation of resources.

There are six basic types of evaluation: CEO, whole board, board chair, whole committee, committee chair, director, and peer-to-peer evaluation. This document provides sample evaluation instruments for a board to conduct:

- whole board;
- board chair;
- individual board member; and
- audit committee evaluation.

Value of Evaluation

Evaluation provides the board with information about what is working well and what needs improvement. Evaluation also presents information about whether the

board, its members, or the committees have adequately performed its roles and fulfilled its responsibilities (i.e. strategic planning, budgeting, evaluation, risk management). Boards can also assess the adequacy of board or committee operations and decision-making processes (i.e. adequacy of information, committee structure, board composition, adequate discussion time, etc.). Furthermore, evaluation helps assess the effectiveness of the board or of a committee by looking at culture, opportunities for meaningful participation, and communications with the Ministers and management.

Board, Board Member and Committee Evaluation

The underlying principles and approaches of evaluation are the same for boards, chairpersons, individual board members and board committees. The major steps to conduct the evaluation are similar to those used for evaluating the CEO, modified where appropriate. In all cases, the scope and nature of the review (i.e. how individuals will be evaluated and against what standards/objectives) should be defined before any data is collected. In addition to formal evaluations, informal evaluations should be periodically conducted to avoid any surprises for the individual being reviewed.

Boards, their members and their committees are usually evaluated against the criteria set out in the board Charter/Expectation/Accountability Document and/or their terms of reference such as position statements.

The proceeding assessment forms are samples only and may not include all the objectives a board wishes to assess in their evaluations. As such, before embarking on any evaluation, the board is encouraged to review the assessment form and tailor the form to meet their needs.

INTRODUCTION

Performance expectations should be clear, align with the organization's mandate and strategic plan, and focus on the direction of the organization. The statements upon which the board or its members will be evaluated against should be specific and measurable, not general statements that could cause confusion.

The statements in the tools are qualitative in nature. As such, before the start of an evaluation cycle, the board will need to discuss and agree upon how the indicators will be measured. In particular, the board will need to know which indicators in the tool will be measured quantitatively and how they will be measured. This is essential to a good evaluation process.

Boards may introduce evaluation in stages, starting with the full board and committee evaluations, and then moving to assessments of the board chairperson and individual board members.

HOW TO CONDUCT AN EVALUATION

An evaluation of performance involves asking questions in the context of whether goals were achieved. For example, “Did they do what was expected of them? Did he or she do what they said they would do? And how well did they do it?”¹

Before beginning an evaluation, the board should spend time shaping the evaluation process. This includes determining the mechanics of the process including setting a timeline, assessing the availability of resources and how much time the board is willing to dedicate to the process. Once an evaluation process is decided upon, it is important that the board stay committed to the process.

If a 360-degree evaluation will be conducted, a board needs to determine who will be included in this evaluation. This includes asking, “Are we going to the right people for information?” 360-degree assessments are timely and a board needs to ensure that it has the capabilities and resources to dedicate to such an evaluation. A board may find annually alternating between surveys and 360-degree evaluations to be more valuable and timely.

If a 360-degree evaluation will be conducted, evaluation instruments specific to the different groups (i.e. management, community stakeholders) should be developed, as these groups may not be able to fairly assess many of the questions on the evaluation instrument.

In developing their evaluation process, a board needs to answer:²

- who is in charge of the process? who is accountable?
- who will manage the process?
- what are the confidentiality expectations and how will they be met?
- how will reporting of results be handled? and
- what accountability does the board have for acting on the results?

Evaluations consist of diagnostic, feedback, and follow up phases. In the diagnostic phase, assessment data is collected via surveys, peer reviews, observations and/or interviews. In the feedback and follow up phases, results of the diagnostic phase are summarized, key issues are identified, feedback is provided and coaching on action steps is set out.

The evaluation process should allow opportunity for the board members to discuss performance, and feedback provided to the individual(s) being reviewed should be delivered professionally in keeping with the nature of the review. There needs to be an understanding that performance will be looked at continually. A formal assessment of performance should be completed annually.

In developing and carrying out an evaluation, board members should be mindful that:

- the best evaluations are conducted regularly and have flexibility built into the process;
- expectations/criteria for the evaluation are agreed on by the board and those being evaluated at the beginning of the evaluation period, and objectives are measurable;

¹ Canadian Co-Operative Association. (June 2007). *Governance Matters: questions the board should ask about CEO evaluation*.

² Dinner, J T *Achieving Excellence in Assessing Individual Director Performance*. Annual Board and CEO Assessment conference. March 26, 2007.

HOW TO CONDUCT AN EVALUATION

- evaluations occur as quickly as possible after the measurement period ends;
- the whole process of evaluation is informative and constructive, not punitive; it focuses on solutions rather than problems and assigning blame;
- a formal process is used to avoid/reduce subjective judgments of the performance; but ongoing informal evaluations in addition to formal interim evaluations are also conducted. Informal evaluations supplement formal evaluations;
- the assessment and evaluation process are used as a coaching tool;
- cause is separated from effect – e.g. “effect” is board has not met expectations; “cause” is board and its stakeholders have not agreed on the allocation of objectives; and
- controllable causes are separated from uncontrollable – e.g. “controllable” is personnel costs rise due to an increase in staff; “uncontrollable” is personnel costs rise due to an increase in Employment Insurance and Canada Pension Plan contributions.

Who

Generally, the board determines who will lead the evaluation process. It is a best practice that one person on the board (i.e. the chair of the Governance Committee) leads the process.

Boards have several options for how they can conduct an evaluation (ex: surveys, interviews, self-assessment, peer-to-peer assessment). Many boards make use of some type of evaluation instrument such as a questionnaire. Boards can use a questionnaire separately or in combination with interviews. When using questionnaires,

boards may decide to carry out the assessment as a committee of the whole, using scheduled sessions or part of in-camera meetings

For an evaluation of board or committee performance, it is recommended that the board complete its evaluation together and use the opportunity to discuss their performance and how to improve weaknesses.

After the evaluation is complete, best practices suggest having one individual summarize the evaluation results. The summary should ensure that the sources of the information are kept confidential and that the results are presented in a meaningful way.

Any performance issues to be discussed can be done via a conversation between the board chair and the assessed committee and/or individuals.

Steps in a Performance Evaluation Process

Listed below are steps for conducting a performance evaluation. These same steps, modified as appropriate, can be applied for board, individual board member, and committee evaluation processes.

Steps in a Performance Evaluation Process³

Step 1: Review the current evaluation procedures/instruments by addressing the following questions:

- what are the strengths and weaknesses of the existing evaluation procedures/instruments?
- what is the purpose of the evaluation? and who will lead the evaluation?
- whose input should be obtained when evaluating performance – chairperson, committee chairs, all members, senior stakeholder representatives, HCOs,

³ Brown D., Brown D., and Birbeck K. (1997). *The Conference Board of Canada: a practical guide to assessing and evaluating the board and CEO.*

HOW TO CONDUCT AN EVALUATION

- affiliates, or full 360-degree feedback from Saskatchewan Health, peers, those mentioned above, self?
- what criteria do we have for the current performance? Are they stated in the job description/charter? Are these criteria sufficient?
- what measures or tools should be used?
- who are the end users of the evaluation results – board members, the Ministry of Health, or others? What are their expectations?
- what degree of information about evaluation results will be provided to the stakeholders? Is the evaluation process strictly for internal use, or will others have access to the results?

Step 2: Plan a formal evaluation process /system and develop evaluation forms/questionnaires

- list all affected parties (those who are required to complete the evaluation forms and those who are going to be evaluated), contact them for input to setting objectives and expectations and involve them early in the process;
- tie expectations of the board/member/committee to the board's mandate and objectives;
- review current role and responsibilities of the board/member/committee;
- identify important qualities expected to be demonstrated by the board/members/committee;
- select specific performance standards and measures/indicators that have been identified for this period;

- determine the length and scope of the evaluation questionnaires and the nature of questions (open or closed questions); and
- incorporate into the evaluation forms/questionnaires the expectations of the accountability document and/or other related documentation.

Step 3: Implement performance evaluations

- distribute questionnaires to those individuals whose input is to be obtained;
- collect all questionnaires at the end of the evaluation period;
- compile and summarize the results (this can be done by a third party);
- designate meets with the board/member/committee to discuss the evaluation results – agree on facts and explore causes and solutions; and
- encourage the board/member/committee to act on agreed improvements and development steps.

Step 4: Implement accountability mechanisms

- recommend or determine newly established delegated authority levels, expectations based on the evaluation review;
- communicate the results in summary to the board, particularly the chairperson of the board if the chairperson does not lead the evaluation, and senior representatives of the stakeholders; and
- report the evaluation results to the Minister and the Ministry of Health.

BOARD EVALUATION: QUESTIONNAIRE

The following is a sample questionnaire for board evaluation. If desired, the board may choose to use other instruments to assess board performance. This evaluation instrument is intended to assess the board as a whole and not individual board members or committees.

This questionnaire consists of a series of statements that are tied to the roles and expectations of the regional health authorities (RHAs) as laid out in *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities*. This questionnaire is designed to assess the board's performance in meeting the defined roles and expectations. Boards may choose to customize this evaluation to include the board's own goals and objectives and the expectations set out in the board charter/terms of reference and general bylaws.

It will be important for the committee overseeing the evaluation process to determine and agree upon the meaning of the performance ratings in terms of objective and practical application of results towards opportunities for growth and development.

SAMPLE

BOARD EVALUATION: QUESTIONNAIRE

Board Evaluation: Questionnaire

Name: _____

For period of: _____

Forward

The proceeding Board Evaluation consists of a series of statements that relate to the defined expectations set out for the board in the key areas described in the *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities*. These key areas are:

- Strategic Planning
- Fiscal Management and Reporting
- Relationships
- Quality Management
- Monitoring, Evaluating, and Reporting; and
- Management and Performance.

This evaluation questionnaire also sets out objectives that measure board performance in the area of Governance, Organization, and Function.

This board evaluation uses the criteria:

- 1 – **Not at all:** objective is not met; significant improvement is needed.
 - 2 – **Developing:** objective is sometimes met; work is needed to ensure objective is consistently met.
 - 3 – **Complete:** objective is consistently met.
 - 4 – **Exceeds expectation:** objective is consistently met and performance of objective requirements exceeds expectations.
- U – Unknown** – there is not enough information to assess the objective.

Instructions

This tool measures the composition, functioning and performance of the board.

Using the criteria please indicate below your perceptions and evaluations of your board's work performance. Mark only those categories in which you feel able to evaluate. Additional written comments can be made in the space provided at the end of the evaluation.

BOARD EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|---|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| STRATEGIC PLANNING | | | | | |
| <i>Establish vision, mission, and values consistent with the strategic direction provided by the province and to establish the directions, key expectations, and performance measures for the health region.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has a clear vision, mission and values. | | | | | |
| Has a sound process for determining strategic directions for the organization. | | | | | |
| Provides leadership in the development of a strategic plan that is realistic, measurable, and consistent with provincial direction. | | | | | |
| Has adequate procedures in place to ensure that its vision, mission, and values guide the region's operational decisions. | | | | | |
| Ensures that the region's operational plan supports the goals and objectives in the health system strategic plan and is developed and implemented in accordance with Saskatchewan Health's requirements and timeframes. | | | | | |
| <i>Support and Comply with legislations, regulations, provincial policies, and Ministerial Directives that promote the achievement of the strategic direction of the health system.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has reviewed and understands the legislation, regulations, and provincial policies that impact the governance of the regional health authority. | | | | | |
| Consults legislation, regulations, and provincial policies when making major decisions. | | | | | |
| Ensures that the provision of programs and services is in compliance with legislation, directives, program guidelines, and contractual obligations. | | | | | |
| <i>Determine regional health service priorities.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has an explicit process for determining priorities for health services. | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|--|----------|----------|----------|----------|----------|
| STRATEGIC PLANNING | | | | | |
| | | | | | |
| <i>Develop intersectoral alliances and/or partnerships with other organizations</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Ensures that the region is developing and participating in intersectoral initiatives, such as Regional Intersectoral Committee (RIC), KidsFirst, School Plus, and Acquired Brain Injury. | | | | | |
| Works effectively with other RHAs, Saskatchewan Health, and other provincial agencies or boards. | | | | | |
| <i>Fulfill its accountability to the Minister of Health.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Approves and ensures submission of operational plans and required reports to the Minister according to guidelines and timelines. | | | | | |
| Has processes in place to ensure that the Minister is appropriately informed of all significant factors impacting the operational plan. | | | | | |
| Has processes in place to ensure that Ministerial feedback about previous plans and reports is incorporated into current reporting. | | | | | |
| <i>Ensure the planning and delivery of quality health services.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has processes to ensure that the health services delivery system provides adequate access to quality health services. | | | | | |
| Has processes in place to effectively direct the CEO to address identified problems of accessibility, safety, and cost/effectiveness of health services. | | | | | |
| Has processes in place to ensure integration & coordination within and across regional boundaries in the planning and delivery of health services. | | | | | |
| Has processes in place to ensure that contracted providers are held accountable for resources used and standards of care, and are compliant with legislation. | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|--|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| STRATEGIC PLANNING | | | | | |
| <i>Allocate regional resources for delivery of services</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has processes to ensure alignment between resources allocated for service delivery and its populations' unique needs, taking into account overall provincial directions. | | | | | |
| Takes into account the long-term sustainability of programs and services when allocating resources. | | | | | |
| <i>Submit a multi-year operational plan and the annual service and financial plan, and deliver services within the approved budget.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Ensures submission of an operational plan that is consistent with provincial guidelines to the Minister of Health. | | | | | |

| |
|--|
| <p>Section Score (if applicable): _____</p> <p>Strengths:</p> <p>Weaknesses:</p> |
|--|

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|--|---|---|---|---|---|
| FINANCIAL MANAGEMENT AND REPORTING | | | | | |
| | | | | | |
| <i>Report on activities to the Minister.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Approves and ensures provision of financial reports and updates to the Minister as required. | | | | | |
| <i>Safeguard the organization's resources through sound fiscal policies and effective internal controls.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Members understand and fulfill their fiduciary responsibilities. | | | | | |
| Has explicit processes in place to ensure that its financial management and information systems are in accordance with accepted standards. | | | | | |
| Ensures policies and procedures are in place to achieve ethical and responsible use of public funds. | | | | | |
| Has established financial indicators and targets against which to measure the organization's performance. | | | | | |
| <i>Commission an annual independent financial audit.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Approves the appointment of an independent auditor. | | | | | |
| Reviews and understands the information contained in the annual audit. | | | | | |
| Has a process in place to review the audit report and to implement, as required, the recommendations contained in the audit. | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

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|---|----------------|--------------|--------------------------|-------------|
| FINANCIAL MANAGEMENT AND REPORTING | | | | |
| <i>Ensure the health status and health needs of the population being served are assessed on an ongoing basis.</i> | | | | |
| The board: | 1 | 2 | 3 | 4 |
| Has established processes to asses the health status and health needs of the population served on an ongoing basis. | | | | |

| |
|---|
| Section Score (if applicable): _____ |
| Strengths: |
| Weaknesses: |

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|---|---|---|---|---|---|
| RELATIONSHIPS | | | | | |
| | | | | | |
| <i>Establish processes for effective communicating with the public.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Meetings are open to the public and time is provided on the agenda for dialogue with groups and/or delegates. | | | | | |
| Activities are adequately communicated to the public (through meetings, reports, newsletters, educational activities and interaction with individuals and groups). | | | | | |
| <i>Establish effective community development processes..</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has established a collaborative framework to ensure community involvement in determining health needs, planning and evaluation (ex. Community Advisory Networks). | | | | | |
| <i>Develop an effective working relationship with health care organizations in the region.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Ensures that it is regularly informed about the programs and services provided by the health care organizations in the region. | | | | | |
| Has processes in place that enable health care organizations to communicate with the board. | | | | | |
| <i>Develop an effective working relationship with health care professionals.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Ensures that processes are in place (ex. questionnaires, 360 degree appraisals, discussions with CEO) to assess the effectiveness of the region's working relationship with health care professionals in the region (including physicians, nursing staff, therapists, etc.) | | | | | |
| Has processes in place that enable health care professionals communicate with the board. | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown

RELATIONSHIPS

Section Score (if applicable): _____

Strengths:

Weaknesses:

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|--|---|---|---|---|---|
| QUALITY MANAGEMENT | | | | | |
| <i>Ensure that effective quality assurance processes are in place.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Ensures that the organization has an effective process to receive and resolve concerns of service for recipients and other stakeholders. | | | | | |
| Ensures that there are processes in place for the protection of persons in care. | | | | | |
| Ensures that the public and staff are informed of appropriate means of raising and resolving safety or quality concerns with the board. | | | | | |
| <i>Ensure the privacy of health information.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Follows a process for ensuring that the health authority protects the privacy of personal health information. | | | | | |
| Follows a process for ensuring that the health authority uses personal health information for appropriate and legal purpose. | | | | | |
| <i>Identify risks to its organization and ensure policies for risk management.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has established and follows a process for identifying and minimizing potential risks to the organization | | | | | |
| Oversees the establishment of policies and processes to minimize loss (ex: insurance coverage, code of ethics, contract management). | | | | | |
| Ensures processes are in place to advise the Minister of potential risk to the regional health authority in the operational plan and by other means. | | | | | |
| Section Score (if applicable): _____ | | | | | |
| Strengths: | | | | | |
| Weaknesses: | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|--|----------|----------|----------|----------|----------|
| MONITORING, EVALUATION & REPORTING | | | | | |
| <i>Ensure the organization's information systems and management practices meet the regional health authority's and the Minister's need for information.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Management and information systems support the board's decision-making and accountability requirements. | | | | | |
| Has processes for ensuring that the region's financial, administrative, statistical, and clinical information systems comply with any regulatory or policy requirements and meet industry standards. | | | | | |
| <i>Assess and report on the health authority's performance in addressing the health needs of its population.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Regularly assesses and reports on the health authority's performance in addressing the health needs of the population served | | | | | |
| <i>Ensure processes are in place to monitor, evaluate, and continuously improve the quality of work-life</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Ensures a process is in place for monitoring and evaluating the quality of work-life within the organization. | | | | | |
| Provides direction to the CEO on quality of work-life issues. | | | | | |
| <p>Section Score (if applicable): _____</p> <p>Strengths:</p> <p>Weaknesses:</p> | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|---|---|---|---|---|---|
| MANAGEMENT & PERFORMANCE | | | | | |
| <i>Develop processes for the ongoing education of regional health authority members.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has a comprehensive orientation program for new members | | | | | |
| Has established a process for ongoing education of board members. | | | | | |
| Encourages member participation in provincial board education initiatives. | | | | | |
| <i>Make clear and informed decisions that all members can support.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Consistently follows an explicit process for decision-making. | | | | | |
| Ensures that the decisions made by the board are clear. | | | | | |
| Uses due diligence when making a decision. | | | | | |
| Assumes collective responsibility for its decisions. | | | | | |
| <i>Perform an annual assessment of its performance and use those results to continuously improve board performance.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Annually assesses its own performance, identifying areas of strength and areas needing improvement. | | | | | |
| Annual assessment results to make changes to improve its performance. | | | | | |
| <i>Establish sound processes for recruitment, appointment, and evaluation of the Chief Executive Officer.</i> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has a specific process and criteria for recruiting and appointing a CEO. | | | | | |
| Has set clear expectations for the CEO and ensures the CEO understands these expectations. | | | | | |
| Has established and follows a process for regularly evaluating the performance of the CEO. | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|---|----------|----------|----------|----------|----------|
| MANAGEMENT & PERFORMANCE | | | | | |
| <p><i>Establish an effective working relationship with the Chief Executive Officer.</i></p> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has a process for assessing its working relationship with the CEO. | | | | | |
| Has achieved an effective working relationship with the CEO. | | | | | |
| <p><i>Ensure a succession plan is in place for senior executives.</i></p> | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Has approved plan that will enable the organization to continue operating in the event of the departure of key executives | | | | | |
| Assists the Ministry in board succession planning by periodically assessing member skills and advising the Ministry of skill sets needed for meeting strategic objectives and future needs. | | | | | |
| <p>Section Score (if applicable): _____</p> <p>Strengths:</p> <p>Weaknesses:</p> | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|--|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| GOVERNANCE, STRUCTURE & ORGANIZATION | | | | | |
| | | | | | |
| The board: | 1 | 2 | 3 | 4 | U |
| Demonstrates an understanding of the distinction between governance and management and acts appropriately in a governance role. | | | | | |
| Committee composition and organization facilitates effective accomplishment of board tasks. | | | | | |
| Ensures that the role of board Committees, including their relationship to the whole board, is clearly understood. | | | | | |
| And its Committees have developed a board charter or terms of reference that reflect the operation of the board and its Committees. | | | | | |
| Meets regularly and frequently enough to accomplish its activities. | | | | | |
| Ensures that the length of board meetings is appropriate to accomplish board tasks. | | | | | |
| Meeting agendas are structured to focus on items critical to board roles and responsibilities and allow members to discharge their oversight responsibilities. | | | | | |
| Meeting agendas address topics that link to the organization's strategic plan and goals. | | | | | |
| Meeting material is distributed far enough in advance of meetings to allow for adequate preparation. | | | | | |
| Ensures that everyone has an equal opportunity (and is encouraged) to participate in discussions at board meetings. | | | | | |
| Use of in-camera sessions is appropriate and effective. | | | | | |
| Ensures there is enough management representation at Committee meetings to ensure a thorough understanding of all items on the agenda. | | | | | |
| Ensures rigorous processes are in place to evaluate its own performance on an annual basis. | | | | | |
| Overall, operates smoothly and effectively. | | | | | |
| Overall, fulfills its mandate effectively. | | | | | |

BOARD EVALUATION: QUESTIONNAIRE

1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown

GOVERNANCE, STRUCTURE & ORGANIZATION

Section Score (if applicable): _____

Strengths:

Weaknesses:

BOARD EVALUATION: QUESTIONNAIRE

Summary Score (optional)

| Key Area | Section Score | Maximum Score Possible* |
|---------------------------------------|---------------|-------------------------|
| Strategic Planning | | 84 |
| Fiscal Management and Reporting | | 36 |
| Relationships | | 28 |
| Quality Management | | 36 |
| Monitoring, Evaluating, and Reporting | | 20 |
| Management and Performance | | 64 |
| Governance, Structure, & Organization | | 60 |
| Total Score | | 328 |

* reduce by "4" for every unknown recorded

Key Accomplishments

List the major accomplishments for the board

| Accomplishment | Comments |
|----------------|----------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

BOARD EVALUATION: QUESTIONNAIRE

Goals and Objectives

List the top goals set out for the board for the past year and the status of achievement for each.

| Goals | Status |
|-------|--------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Opportunities to Increase Performance

List areas where the board could improve performance and how those areas could be developed.

| Area of Improvement | Resources/Plan for Development |
|---------------------|--------------------------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Overall Assessment and Comments

BOARD CHAIR EVALUATION: QUESTIONNAIRE

The following is a sample questionnaire for Board Chair evaluation. If desired, the board may choose to use other instruments to assess the board chair's performance.

This evaluation instrument consists of a series of statements that are tied to the roles and expectations of the board chair. This questionnaire is designed to assess the board chair's performance in meeting the defined roles and expectations. Boards may choose to customize this assessment tool to include the board's expectations of the chair and the objectives set out in the chair's position statement and the general bylaws.

It will also be important for the committee overseeing the evaluation process to determine and agree upon the meaning of the performance ratings in terms of objective and practical application of results.

SAMPLE

BOARD CHAIR EVALUATION: QUESTIONNAIRE

Board Chair Evaluation: Questionnaire

Name: _____

For period of: _____

Forward

The proceeding Board Chair evaluation consists of a series of statements that relate to the expectations set out for the board chair. These key areas are:

- Leadership;
- Board Culture; and
- Relationships/Communications.

This Board Chair evaluation uses the criteria:

- 1 – Not at all:** *objective is not met; significant improvement is needed.*
- 2 – Developing:** *objective is sometimes met; work is needed to ensure objective is consistently met.*
- 3 – Complete:** *objective is consistently met.*
- 4 – Exceeds expectation:** *objective is consistently met and performance of objective requirements exceeds expectations.*
- U – Unknown –** *there is not enough information to assess the objective.*

Instructions

This tool measures the composition, functioning and performance of the board chair.

Using the criteria please indicate below your perceptions and evaluations of your board chair's work performance. Mark only those categories in which you feel able to evaluate. Additional written comments can be made in the space provided at the end of the evaluation.

BOARD CHAIR EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|---|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| LEADERSHIP | | | | | |
| The Board Chair: | 1 | 2 | 3 | 4 | U |
| Ensures that the Board is addressing meaningful issues and taking responsibility in appropriate areas. | | | | | |
| Manages meetings so they are constructive, focused, and effective. | | | | | |
| Ensures that the concerns of the Board members are reflected in meeting agendas | | | | | |
| Provides effective leadership, with the CEO and senior management, to the organization's planning process | | | | | |
| Sets clear objectives for board meetings. | | | | | |
| Allows appropriate time for strategic planning. | | | | | |
| Manages conflicts of interest effectively. | | | | | |
| Overall, manages board meetings effectively. | | | | | |

Section Score (if applicable): _____

Strengths:

Weaknesses:

BOARD CHAIR EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|--|----------------|----------------|--------------|--------------------------|-------------|
| BOARD CULTURE | | | | | |
| The Board Chair: | 1 | 2 | 3 | 4 | U |
| Encourages the full contribution of and participation by all members of the board, creating an open atmosphere for board members to ask questions or dissent freely. | | | | | |
| Creates an environment conducive to team building. | | | | | |
| Fosters and builds an open working relationship between the board and senior management. | | | | | |

| |
|---|
| Section Score (if applicable): _____ |
| Strengths: |
| |
| Weaknesses: |
| |

BOARD CHAIR EVALUATION: QUESTIONNAIRE

| 1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown | | | | | |
|--|----------|----------|----------|----------|----------|
| RELATIONSHIPS/COMMUNICATION | | | | | |
| The Board Chair: | 1 | 2 | 3 | 4 | U |
| Adequately communicates the board's wishes to management and reports back on the results. | | | | | |
| Maintains open channels of communication with board members between board meetings. | | | | | |
| Provides adequate feedback to the board respecting communication with the Minister (or Saskatchewan Health). | | | | | |
| Reports regularly to the board about issues that are relevant to their governance responsibilities. | | | | | |
| Works with board Committee Chairs to ensure effective communication between board Committees and the board. | | | | | |
| Attends board Committee meetings where appropriate. | | | | | |
| Takes a proactive role in developing a good working relationships and ensures that the CEO has an effective relationship with Saskatchewan Health. | | | | | |
| Reports regularly to the board about issues that are relevant to their governance responsibilities. | | | | | |

Section Score (if applicable): _____

Strengths:

Weaknesses:

BOARD CHAIR EVALUATION: QUESTIONNAIRE

Summary Score (optional)

| Key Area | Section Score | Maximum Score Possible* |
|------------------------------|---------------|-------------------------|
| Leadership | | 28 |
| Board Culture | | 12 |
| Relationships/Communications | | 24 |
| Total Score | | 60 |

* reduce by "4" for every unknown recorded

Key Accomplishments

List the major accomplishments for the Chair

| Accomplishment | Comments |
|----------------|----------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Goals and Objectives

List the top goals set out for the Chair for the past year and the status of achievement for each.

| Goals | Status |
|-------|--------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

BOARD CHAIR EVALUATION: QUESTIONNAIRE

Opportunities to Increase Performance

List areas where the Chair could improve performance and how those areas could be developed.

| Area of Improvement | Resources/Plan for Development |
|---------------------|--------------------------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Overall Assessment and Comments

BOARD MEMBER PERFORMANCE EVALUATION: QUESTIONNAIRE

The following is a sample questionnaire for evaluation of board member performance.

There are several models for board member performance evaluation including self-evaluation, peer-to-peer evaluation, or a combination of both. Best practices encourage boards to use peer-to-peer evaluation for director evaluation.

This evaluation instrument consists of a series of statements that are tied to the roles and expectations of board members. This questionnaire is designed to assess the performance of individuals in meeting the defined roles and expectations. Boards may choose to customize this assessment tool to include the board's expectations of its members and the objectives set out in the board member position statement and the general bylaws.

For board member performance assessment, boards may wish to allow new board members (those who have been on the board for a period of less than one year) to opt out of the assessment.

It will also be important for the committee overseeing the evaluation process to determine and agree upon the meaning of the performance ratings in terms of objective and practical application of results.

SAMPLE

BOARD MEMBER PERFORMANCE: QUESTIONNAIRE

Board Member Performance Evaluation: Questionnaire

Name: _____

For period of: _____

Forward

The proceeding board member evaluation consists of a series of statements that relate to the expectations set out for board members in the dimensions of competency, contribution, and characteristics.

The questionnaire consists of objectives in the following areas:

- Attributes and Relationships;
- Roles and Responsibilities; and
- Communications.

This Board Member evaluation uses the criteria:

- 1 – Not at all:** *objective is not met; significant improvement is needed.*
- 2 – Developing:** *objective is sometimes met; work is needed to ensure objective is consistently met.*
- 3 – Complete:** *objective is consistently met.*
- 4 – Exceeds expectation:** *objective is consistently met and performance of objective requirements exceeds expectations.*
- U – Unknown** – *there is not enough information to assess the objective.*

Instructions

This tool measures the performance of the board member.

Using the criteria please indicate below your perceptions and evaluations of the board member's work performance. Mark only those categories in which you feel able to evaluate. Additional written comments can be made in the space provided at the end of the evaluation.

BOARD MEMBER PERFORMANCE EVALUATION: QUESTIONNAIRE

1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown

ATTRIBUTES AND RELATIONSHIPS

| The Board Member: | 1 | 2 | 3 | 4 | U |
|---|---|---|---|---|---|
| Acts honestly and in good faith with a view to the best interests of the organization | | | | | |
| Follows the board's Code of Conduct and Ethics. | | | | | |
| Is collegial and respectful of other board members | | | | | |
| Works positively and co-operatively with the board team. | | | | | |
| Encourages other board members to participate openly in meeting discussions. | | | | | |
| Respects and abides by board decisions. | | | | | |

Section Score (if applicable): _____

Strengths:

Weaknesses:

BOARD MEMBER PERFORMANCE EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|---|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| ROLES AND RELATIONSHIPS | | | | | |
| The Board Member: | 1 | 2 | 3 | 4 | U |
| Exercises the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances | | | | | |
| Understands his or her role and responsibilities as a board member. | | | | | |
| Understands the roles and responsibilities of the board. | | | | | |
| Understands the difference between governance and management of the organization. | | | | | |
| Understands the organization, its vision, mission, and goals. | | | | | |
| Helps guide the vision and strategic direction of the organization. | | | | | |
| Avoids real and perceived conflicts of interest. | | | | | |
| Regularly attends board meetings. | | | | | |
| Comes to board meetings prepared and ready to participate in discussion. | | | | | |
| Participates in initial board orientation and ongoing professional development. | | | | | |
| Keeps informed about the organization, the industry, and the communities the board serves. | | | | | |
| Represents the interests of the whole health region rather than the specific interests of any constituency, association or corporation. | | | | | |
| Participates in the evaluation of the CEO, board and its committees. | | | | | |
| Follows up and complete tasks assigned to him or her by the board. | | | | | |

| |
|--|
| <p>Section Score (if applicable): _____</p> <p>Strengths:</p> <p>Weaknesses:</p> |
|--|

BOARD MEMBER PERFORMANCE EVALUATION: QUESTIONNAIRE

1 = Not at all 2 = Developing 3 = Complete 4 = Exceeds Expectations U = Unknown

COMMUNICATIONS

| The Board Member: | 1 | 2 | 3 | 4 | U |
|--|---|---|---|---|---|
| Maintains appropriate confidentiality with respect to organizational matters. | | | | | |
| Discloses information to the board that could be considered material to the board's business or operations. | | | | | |
| Communicates with the Chair in advance of meetings when planning to introduce significant or new information or material at a board meeting. | | | | | |
| Provides constructive criticism in a friendly, firm and positive manner. | | | | | |
| Is receptive to ideas and suggestions brought forth by other board members. | | | | | |

Section Score (if applicable): _____

Strengths:

Weaknesses:

BOARD MEMBER PERFORMANCE EVALUATION: QUESTIONNAIRE

Summary Score (optional)

| Key Area | Section Score | Maximum Score Possible* |
|------------------------------|---------------|-------------------------|
| Attributes and Relationships | | 24 |
| Roles and Responsibilities | | 56 |
| Communications | | 20 |
| Total Score | | 100 |

* reduce by "4" for every unknown recorded

Key Accomplishments

List the major accomplishments for the board member.

| Accomplishment | Comments |
|----------------|----------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Goals and Objectives

List the top goals set out for the board member for the past year and the status of achievement for each.

| Goals | Status |
|-------|--------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

BOARD MEMBER PERFORMANCE EVALUATION: QUESTIONNAIRE

Opportunities to Increase Performance

List areas where the board member could improve performance and how those areas could be developed.

| Area of Improvement | Resources/Plan for Development |
|---------------------|--------------------------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Overall Assessment and Comments

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

The following is a sample questionnaire for Audit Committee evaluation. If desired, the board may choose to use other instruments to assess committee's performance. This evaluation instrument is intended to assess the Audit Committee but can be customized to suit the evaluation of other board committees.

This evaluation instrument consists of a series of statements that are tied to the roles and expectations for an Audit Committee. This questionnaire is designed to assess the Audit Committee's performance in meeting these roles and expectations. Boards may choose to customize this instrument to include the objectives set out in the Audit Committee's charter/terms of reference and the board's expectations for the Audit Committee.

It will also be important for the committee overseeing the evaluation process to determine and agree upon the meaning of the performance ratings in terms of objective and practical application of results.

SAMPLE

⁴ Statements from: Brown Governance Inc. *Team Performance Scorecard: evaluation tool for audit committees of the board.*

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

Audit Committee Evaluation: Questionnaire

Name: _____

For period of: _____

Forward

The proceeding Audit Committee evaluation consists of a series of statements⁴ that relate to expectations in key areas set out for an Audit Committee. These key areas are:

- Governance, Structure and Organization;
- Committee Functions;
- Reporting; and
- Leadership.

This Audit Committee evaluation uses the following criteria:

- 1 – Not at all:** *objective is not met; significant improvement is needed.*
- 2 – Developing:** *objective is sometimes met; work is needed to ensure objective is consistently met.*
- 3 – Complete:** *objective is consistently met.*
- 4 – Exceeds expectation:** *objective is consistently met and performance of objective requirements exceeds expectations.*
- U – Unknown** – *there is not enough information to assess the objective.*

Instructions

This tool measures the organization, functioning and performance of the board Audit Committee.

Using the criteria, please indicate below your perceptions and evaluations of the Audit Committee's work performance. Mark only those categories in which you feel able to evaluate. Additional written comments can be made in the space provided at the end of the evaluation.

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|--|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| GOVERNANCE, STRUCTURE AND ORGANIZATION | | | | | |
| The Audit Committee: | 1 | 2 | 3 | 4 | U |
| Is of the appropriate size and composition for the roles and responsibilities expected of it. | | | | | |
| Members understand its roles and responsibilities. | | | | | |
| Membership is sufficiently independent of management. | | | | | |
| Is made up of diverse and complimentary members well suited to the work of the Committee. | | | | | |
| Has clear terms of reference that provide it sufficient latitude to perform its duties and objectives. | | | | | |
| Has an appropriately high level of necessary skills (ex. financial skills). | | | | | |
| Keeps current on changes in accounting and disclosure policies and guidelines. | | | | | |
| Understands the health region and its industry. | | | | | |
| Understands the significant operational and financial issues of the organization. | | | | | |
| Receives the appropriate amount of orientation. | | | | | |
| Receives ongoing education where necessary. | | | | | |
| Is of the appropriate size and composition for the roles and responsibilities expected of it. | | | | | |

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

| 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|--|----------------|--------------|--------------------------|-------------|
| GOVERNANCE, STRUCTURE AND ORGANIZATION | | | | |
| <i>Meetings</i> | | | | |
| The Audit Committee: | 1 | 2 | 3 | 4 |
| Uses an annual work calendar to plan meetings, address issues and align with planning and reporting cycles. | | | | |
| Meetings are of such duration to cover all necessary agenda items with enough time for adequate discussion | | | | |
| Ensures there is effective, respectful, open communication between Committee members allowing for full discussion, expression of views, and asking of tough questions. | | | | |
| Ensures there is effective, respectful, open communication between the audit Committee and management. | | | | |
| Ensures there is enough management representation at Committee meetings to ensure a thorough understanding of all agenda items. | | | | |
| Meeting minutes are clear and useful, capturing all relevant issues and decisions. | | | | |
| Ensures rigorous processes are in place to evaluate its own performance on an annual basis. | | | | |
| Operates smoothly and effectively. | | | | |
| Overall, fulfills its mandate effectively. | | | | |

| |
|---|
| Section Score (if applicable): _____ |
| Strengths: |
| Weaknesses: |

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|---|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| COMMITTEE FUNCTIONS | | | | | |
| The Audit Committee: | 1 | 2 | 3 | 4 | U |
| Understands how to measure performance and make appropriate comparisons against budget, plan and prior periods. | | | | | |
| Reviews statements, and other management disclosures for consistency, accuracy, and transparency. | | | | | |
| Annually evaluates the transparency and quality of the financial statements. | | | | | |
| Annually reviews the selection and application of critical accounting policies | | | | | |
| Selects the external auditor (with board approval) and ensures his or her independence. | | | | | |
| Reviews and approves the annual external audit plan (including areas of risk, scope, and estimated fees). | | | | | |
| Compares and benchmarks internal and external audits with leading organizations. | | | | | |
| Makes recommendations for any significant internal audit control deficiencies. | | | | | |
| Meets with the internal auditor regularly, with and without senior management present. | | | | | |

Section Score (if applicable): _____

Strengths:

Weaknesses:

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|--|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| REPORTING | | | | | |
| The Audit Committee: | 1 | 2 | 3 | 4 | U |
| Receives comprehensive and regular updates on key business risks. | | | | | |
| Takes appropriate action on key risks that could affect reported financial results and disclosures. | | | | | |
| Has access to outside professional advice (accounting, legal, etc.) if necessary. | | | | | |
| Receives the information it needs to fulfill its responsibilities. | | | | | |
| Receives the information it needs in a timely manner | | | | | |
| Ensures that the content and format of management presentations is appropriate and sufficient. | | | | | |
| Reports completely and accurately to the board following each meeting. | | | | | |
| Has put in place a procedure for complaints about accounting irregularities and financial malfeasance, ensuring no repercussions for employees (“whistleblowing”). | | | | | |

| |
|--|
| <p>Section Score (if applicable): _____</p> <p>Strengths:</p> <p>Weaknesses:</p> |
|--|

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

| | 1 = Not at all | 2 = Developing | 3 = Complete | 4 = Exceeds Expectations | U = Unknown |
|---|-----------------------|-----------------------|---------------------|---------------------------------|--------------------|
| LEADERSHIP | | | | | |
| The Audit Committee: | 1 | 2 | 3 | 4 | U |
| Has a sound knowledge of finance and accounting. | | | | | |
| Understands and fulfils his/her responsibilities. | | | | | |
| And the CFO have a strong, positive working relationship. | | | | | |
| Understands the respective roles of the board, the Committee, and management. | | | | | |
| Is effective at leading Committee meetings | | | | | |
| Encourages meaningful discussion. | | | | | |
| Brings closure and timely decision-making to the key issues. | | | | | |
| Provides effective leadership and direction to the Committee. | | | | | |

Section Score (if applicable): _____

Strengths:

Weaknesses:

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

Summary Score (optional)

| Key Area | Section Score | Maximum Score Possible* |
|--------------------------------------|---------------|-------------------------|
| Governance, Structure & Organization | | 84 |
| Committee Function | | 36 |
| Reporting | | 32 |
| Leadership | | 32 |
| Total Score | | 184 |

* reduce by "4" for every unknown recorded

Key Accomplishments

List the major accomplishments for the Audit Committee

| Accomplishment | Comments |
|----------------|----------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Goals and Objectives

List the top goals for the Committee for the past year and the status of achievement for each.

| Goals | Status |
|-------|--------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

AUDIT COMMITTEE EVALUATION: QUESTIONNAIRE

Opportunities to Increase Performance

List areas where the Audit Committee could improve performance and how those areas could be developed.

| Area of Improvement | Resources/Plan for Development |
|---------------------|--------------------------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Overall Assessment and Comments

BOARD REMUNERATION



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

Intent

The intent of this policy is to establish the maximum rates for the remuneration and reimbursement for expenses that may be paid to members of regional health authorities and the Saskatchewan Cancer Agency.

Legislative Authority

*The Regional Health Services Act, Section 17
Lieutenant Governor in Council Order 75/2003,
dated February 12, 2003*

*The Cancer Agency Act, Section 7
Lieutenant Governor in Council Order 115/2007,
dated March 6, 2007*

(Please note that the above Orders in Council were not published in The Saskatchewan Gazette.)

Policy

The rates for remuneration and reimbursement for expenses for members of a regional health authority effective August 1, 2002 and the rates for remuneration and reimbursement for expenses for members of the Saskatchewan Cancer Agency effective March 6, 2007 are as follows:

Retainers

The maximum rate for a monthly retainer for a chairperson of a regional health authority and the Saskatchewan Cancer Agency is \$830.00 per month, with such retainer to be paid on a monthly basis, not in advance, and to be prorated for services to date of resignation when a chairperson resigns.

Remuneration

1. The maximum rate of remuneration for regional health authority and the Saskatchewan Cancer Agency related duties are as follows:
 - (i) for the chairperson of a regional health authority and the Saskatchewan Cancer Agency:
 - **maximum per diem** \$300.00
 - **maximum hourly rate** \$37.50
 - (ii) for all other regional health authority and the Saskatchewan Cancer Agency members:
 - **maximum per diem** \$200.00
 - **maximum hourly rate** \$25.00
2. The payment of remuneration to all members of the regional health authority and the Saskatchewan Cancer Agency will be calculated as follows:
 - (i) for each of the following in excess of five hours, the amount to be paid is the maximum per diem:
 - A. regularly scheduled regional health authority and the Saskatchewan Cancer Agency meetings;
 - B. meetings of a regional health authority and the Saskatchewan Cancer Agency other than regularly scheduled meetings;
 - C. regional health authority and the Saskatchewan Cancer Agency committee meetings;
 - D. conferences or government initiated meetings at which the minister considers regional health authority and the Saskatchewan Cancer Agency representation mandatory;
 - E. attendance at meetings authorized by the regional health authority and the Saskatchewan Cancer Agency;

- (i) for each of the following less than five hours, the amount to be paid is determined by multiplying the respective hourly rate by the number of full hours spent at the meeting:
 - A. regularly scheduled regional health authority and the Saskatchewan Cancer Agency meetings;
 - B. meetings of a regional health authority and the Saskatchewan Cancer Agency other than regularly scheduled meetings;
 - C. regional health authority and the Saskatchewan Cancer Agency committee meetings;
 - D. conferences or government initiated meetings at which the minister considers regional health authority and the Saskatchewan Cancer Agency representation mandatory;
 - E. attendance at meetings authorized by the regional health authority and the Saskatchewan Cancer Agency;
2. For each of the following, the payment of travel time to all members of a regional health authority and the Saskatchewan Cancer Agency, will be determined by multiplying the respective hourly rate by the actual travel time to a maximum of two times the per diem rate:
- A. regularly scheduled regional health authority and the Saskatchewan Cancer Agency meetings;
 - B. meetings of a regional health authority and the Saskatchewan Cancer Agency other than regularly scheduled meetings;
 - C. regional health authority and the Saskatchewan Cancer Agency committee meetings;
 - D. conferences or government initiated meetings at which the minister considers regional health authority and the Saskatchewan Cancer Agency representation mandatory; or
 - E. attendance at meetings authorized by the regional health authority and the Saskatchewan Cancer Agency.

Travel and Sustenance Expenses

1. The maximum reimbursement to members of a regional health authority and the Saskatchewan Cancer Agency for travel and sustenance expenses incurred in the performance of their duties as members of a regional health authority and the Saskatchewan Cancer Agency will be in accordance with the rates approved under *The Public Service Act*, 1998 for employees in the Public Service.
2. The maximum reimbursement of expenses to members of a regional health authority and the Saskatchewan Cancer Agency for conference registrations and other actual expenses incurred in the performance of authorized regional health authority and the

Saskatchewan Cancer Agency related duties that the authority considers reasonable to be the amount supported by receipts.

- In the case of regional health authorities, all of the above rates are to be calculated as and from August 1, 2002.
- In the case of the Saskatchewan Cancer Agency, all of the above rates are to be calculated as and from March 6, 2007.

CEO EVALUATION TOOL



**Saskatchewan
Ministry of
Health**

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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INTRODUCTION

A board has many roles including providing strategic direction and leadership for the organization. Since the responsibility to manage the organization is delegated to the Chief Executive Officer (CEO), the board also has an important duty to ensure that the organization has effective executive management. This includes: recruiting and hiring the CEO, setting expectations as defined in the employment contract, job description and the annual goals and objectives of the organization, and evaluating the performance of the CEO. The monitoring and evaluation of the CEO's performance is one of the board's most critical functions.

CEO evaluation contributes to a board's responsibility in recruiting and hiring the CEO. During recruitment, a board typically has specific expectations and goals in mind for a CEO to achieve. These expectations play a role in the recruitment process by shaping the characteristics a board seeks in the CEO. As such, evaluating the CEO lends support to a measure of the effectiveness of the CEO recruitment process. In other words, did the recruitment process work? Did the board get what they set out to attain? Evaluating the CEO provides the board with additional insight to ensuring the organization has effective executive management. That said, it is important that the CEO evaluation is focused on evaluating performance, not simply on evaluating compliance.

Value and Goals of CEO Evaluation

The CEO evaluation is the mechanism by which a CEO performance is assessed. Evaluation provides value to both the CEO and the board.

Generally, individuals in leadership roles want to perform well and help foster the success of the organization. "Individuals [also] want to know what is expected of them and how they are performing."¹ The evaluation enables the board to communicate goals, praise accomplishments, clarify expectations and outline accountabilities for the CEO.

Meanwhile, a well-designed CEO performance evaluation system helps to provide the board with information about what is working well and what areas need improvement. A CEO evaluation can highlight early warning signals about strategic decisions that may be affected or other problems that could affect organizational performance.

First and foremost, an evaluation serves the purpose to aid individuals and only second to highlight performance shortfalls. The main objectives and goals of a CEO evaluation are:

- to appropriately assess CEO performance;
- to link executive performance to the organization's goals;
- to foster CEO growth and development; and
- to strengthen the relationship between board and CEO.

More specifically, a CEO evaluation process:

- provides a mechanism to assess how effectively the CEO has implemented board policies and decisions;
- strengthens the congruence between the mission, goals and objectives of the organization and those of the CEO;
- enables the board to focus activities on the organization's mission and strategic plan;

¹ Canadian Co-Operative Association. (June 2007). *Governance Matters: questions the board should ask about CEO evaluation*.

INTRODUCTION

- communicates board expectations of the CEO and provides a basis for future CEO performance expectations;
- facilitates coordination and teamwork among the organization's leadership;
- creates a formal system for CEO professional and personal development; and
- establishes parameters for CEO performance that enable the board to retain, provide constructive feedback regarding CEO professional and personal performance and if necessary, quickly and appropriately terminate the CEO.²

Overall, when performed diligently, a CEO evaluation can provide input and guidance for the CEO to aid in improving both senior management and organization performance.

² Orlikoff J E., Totten M K. (1996). *American Hospital Association (AHA) Trustee Workbook: CEO evaluation and compensation*.

HOW TO CONDUCT AN EVALUATION

An evaluation of performance involves asking questions in the context of whether goals were achieved. For example, “Did they do what was expected of them? Did he or she do what they said they would do? And how well did they do it?”³

Before beginning an evaluation, the board should spend time shaping the evaluation process. This includes determining the mechanics of the process including setting a timeline, assessing the availability of resources and how much time the board is willing to dedicate to the process. Once an evaluation process is decided upon, it is important that the board stays committed to the process.

If a 360-degree evaluation is conducted, boards need to determine who will be included in the evaluation. This includes asking, “Are we going to the right people for information?” 360-degree assessments are timely and boards need to ensure that they have the capabilities and resources to dedicate to such an evaluation. Boards may find annually alternating between surveys and 360-degree evaluations to be more valuable and timely.

If a 360-degree evaluation will be conducted, evaluation instruments specific to the different groups (i.e. management, community stakeholders) should be developed, as these groups may not be able to fairly assess many of the questions on the CEO evaluation instrument used by the board.

In developing their evaluation process, a board needs to answer:⁴

- who is in charge of the process? who is accountable?
- who will manage the process?
- what are the confidentiality expectations and how will they be met?
- how will reporting of results be handled? and
- what accountability does the board have for acting on the results?

Evaluations consist of diagnostic, feedback, and follow up phases. In the diagnostic phase, assessment data is collected via surveys, peer reviews, observations and/or interviews. In the feedback and follow up phases, results of the diagnostic phase are summarized, key issues are identified, feedback is provided and coaching on action steps is set out.

The evaluation process should allow opportunity for the board members to discuss performance, and feedback provided to the individual(s) being reviewed should be delivered professionally in keeping with the nature of the review. There needs to be an understanding that performance will be looked at continually. A formal assessment of performance should be completed annually.

In developing and carrying out an evaluation, board members should be mindful that:

- the best evaluations are conducted regularly and have flexibility built into the process;
- expectations/criteria for the evaluation are agreed on by the board and those being evaluated at the beginning of the

³ Canadian Co-Operative Association. (June 2007). *Governance Matters: questions the board should ask about CEO evaluation*.

⁴ Dinner, J T *Achieving Excellence in Assessing Individual Director Performance*. Annual Board and CEO Assessment conference. March 26, 2007.

HOW TO CONDUCT AN EVALUATION

- evaluation period, and objectives are measurable.
- evaluations occur as quickly as possible after the measurement period ends;
 - the whole process of evaluation is informative and constructive, not punitive; it focuses on solutions rather than problems and to assign blame;
 - a formal process is used to avoid/reduce subjective judgments of the performance; but ongoing informal evaluations in addition to formal interim evaluations are also conducted. Informal evaluations supplement formal evaluations;
 - the assessment and evaluation process are used as a coaching tool;
 - cause is separated from effect – e.g. “effect” is board has not met expectations; “cause” is board and its stakeholders have not agreed on the allocation of objectives; and
 - controllable causes are separated from uncontrollable – e.g. “controllable” is personnel costs rise due to an increase in staff; “uncontrollable” is personnel costs rise due to an increase in Employment Insurance and Canada Pension Plan contributions.

Who

Generally, the board determines who will lead the evaluation process. It is a best practice that one person on the board (i.e. the chair of the Governance/Nomination Committee) leads the process.

Boards have several options for how they can conduct an evaluation (ex: surveys, interviews, self-assessment, peer-to-peer assessment). Many boards make use of some type of evaluation

instrument such as a questionnaire. Boards can use a questionnaire separately or in combination with interviews. When using questionnaires, boards may decide to carry out the assessment as a committee as whole, using scheduled sessions or part of in-camera meetings.

If interviews are conducted, it is important that the board chair and CEO are kept separate. Typically, the chair of the Governance/Nomination Committee would conduct interviews for the CEO assessment. In cases where the board chair is also the Governance/Nomination Committee chair, then the chair of the Management or HR Committee would conduct the interviews.

After the evaluation is complete, best practices suggest having one individual summarize the evaluation results. The summary should ensure that the sources of the information are kept confidential and that the results are presented in a meaningful way.

Boards may choose to collectively analyze the results to determine what issues to discuss with the CEO or choose to assign this task to the Governance Committee. Any performance issues to be discussed can be done via a conversation between the board chair and the CEO. This will also contribute to strengthening the relationship between the board chair and CEO.

Steps in a CEO Performance Evaluation Process⁵

Step 1: Review the current CEO evaluation procedures/instruments by addressing the following questions:

- what are the strengths and weaknesses of the existing evaluation procedures/instruments?

⁵ Brown D., Brown D., and Birbeck K. (1997). *The Conference Board of Canada: a practical guide to assessing and evaluating the board and CEO.*

HOW TO CONDUCT AN EVALUATION

- what is the purpose of evaluating the CEO? and who will lead the CEO evaluation?
- whose input should be obtained when evaluating the CEO's performance
 - chairperson, committee chairs, all members, senior stakeholder representatives, HCOs, affiliates, or full 360-degree feedback from Saskatchewan Health, peers, those mentioned above, self?
- what criteria do we have for the current CEO's performance? Are they stated in the job description/contract? Are these criteria sufficient?
- what measures or tools should be used?
- who are the end users of the evaluation results – board members, Saskatchewan Health, or others? What are their expectations?
- what degree of information about evaluation results will be provided to the stakeholders? Is the evaluation process strictly for internal use, or will others have access to the results?
- select specific performance standards and measures/indicators that have been identified for this period;
- determine the length and scope of the evaluation questionnaires and the nature of questions (open or closed questions); and
- incorporate into the evaluation forms/questionnaires the expectations of the accountability document and/or other related documentation.

Step 3: Implement performance evaluations

- distribute questionnaires to those individuals whose input is to be obtained;
- collect all questionnaires at the end of the evaluation period
- compile and summarize the results (this can be done by a third party);
- designate meets with the CEO to discuss the evaluation results – agree on facts and explore causes and solutions; and
- encourage the CEO to act on agreed improvements and development steps.

Step 2: Plan a formal evaluation process /system and developing evaluation forms/questionnaires

- list all affected parties (those who are required to complete the evaluation forms and those who are going to be evaluated), contact them for input to setting objectives and expectations and involve them early in the process;
- tie expectations of the CEO to the board's mandate and objectives
- review current role and responsibilities of the CEO;
- identify important qualities expected to be demonstrated by the CEO;

Step 4: Implement accountability mechanisms

- recommend or determine newly established delegated authority levels, expectations based on the evaluation review;
- communicate the results in summary to the board, particularly the chairperson of the board if the chairperson does not lead the evaluation, and senior representatives of the stakeholders; and
- report the evaluation results to the Minister and the Department of Health

SAMPLE CEO EVALUATION QUESTIONNAIRE

The following is a sample questionnaire for CEO evaluation. As is, the evaluation instrument consists of a series of statements that are tied to the roles and expectations of the regional health authorities (RHAs) laid out in *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities* and to the expectations set out in the Accountability Document.

It is recommended that the board customize this evaluation based on their organization's mission, strategic plan, goals, and expectations agreed upon by the CEO and outlined in the CEO contract and job description.

Tailoring the Evaluation Instrument

Performance expectations set for a CEO should be clear, align with the organization's mandate and strategic plan, and focus on the direction of the organization. The statements upon which the CEO will be evaluated against should be specific and measurable, not general statements that could cause confusion.

The statements in this tool are qualitative in nature. As such, before the start of an evaluation cycle, the board and CEO will need to discuss and agree upon how the indicators will be measured. In particular, the CEO will need to know which indicators in the tool will be measured quantitatively and how they will be measured. This is essential to a good evaluation process.

Measures and Objectives

The CEO evaluation objectives (or what will be measured) will likely have already been identified by the strategic plan. The statements may also link to the characteristics desired by a successful organization: leadership and stewardship, strategic planning and vision, achievement of organizational objectives, human resource management and succession planning, relationships: management, stakeholder, board; integrity and ethical leadership; and financial performance.⁶

Measures in a CEO evaluation relate to the objectives; this is how the objective will be assessed. This can be done i.e. for results: look at employee satisfaction; for competency: developing others, impact and influence, initiative, self-confidence, service orientation, team leadership, teamwork and cooperation.

⁶ Canadian Co-operative Association. (June 2007). *Governance Matters: questions the board should ask about CEO evaluation*.

SAMPLE

SAMPLE CEO EVALUATION QUESTIONNAIRE

CEO Evaluation Questionnaire

Name: _____

For period of: _____

Forward

The proceeding CEO evaluation consists of a series of statements that relate to the expectations set by the board and to the expectations in areas described in the Accountability Document. Statements are also tied to the regional health authority roles and expectations presented in *Roles and Expectations of the Minister of Health and Saskatchewan's Regional Health Authorities*.

It will also be important for the committee overseeing the evaluation process to determine and agree upon the meaning of the performance ratings in terms of rewards and consequences. This evaluation uses the following performance ratings and criteria, which are set out in the Ministerial Directive for CEO Salaries:

5 - Outstanding – *Performance consistently exceeds all requirements of the objectives and results in contribution beyond job expectations.* Assigned to a CEO who has surpassed the expectations on all ongoing and key objectives with great significance. Performance is far above the defined job expectations. Considerations include:

- How have the results far exceeded the defined expectations of the position? How do the contributions clearly move the regional health authority forward?
- Does he/she proactively initiate and lead change that advances beyond the defined objective and/or regional health authority expectations?
- Does the CEO continually apply ever-increasing job knowledge to address challenges and/or lead new initiatives?
- Does the CEO consistently achieve extraordinary success on additional assignments?
- Does he/she accomplish high work quality and productivity by enhancing individuals and work groups performance amidst significant obstacles?

4 - Consistently Exceeds Requirements – *Performance consistently exceeds most requirements and meets all other requirements of the objectives.* Assigned to a CEO who exceeds expected results in most of the ongoing and key objectives. Considerations include:

- How have the results exceeded expectation in the majority of the success measures? Is the contribution clearly identifiable?
- Does the CEO consistently seek out, accept, and achieve additional responsibilities that increase job knowledge and skills?

SAMPLE CEO EVALUATION QUESTIONNAIRE

- Does the CEO actively seek out, welcome change that supports continuous service/program improvements?
- Does he/she strongly exhibit positive behaviour that promotes and influences cooperation from others?

3 - Fully Achieved – *Performance is consistently solid and reliable.* Performance meets the requirements of the objectives and may exceed requirements in some areas. Assigned to a CEO who consistently demonstrates effective behaviours, good solid performer, and achieved the expected results in all areas or may have exceeded in one or more of success and target measures. He/She is a consistent contributor to the success of the regional health authority. Considerations when assigning this rating are:

- Does the CEO always demonstrate competent performance and fully meet expectations in all key areas?
- Does the CEO occasionally exceed the defined requirements in some of the objectives and success measures/targets?
- Does the CEO successfully pursue opportunities to increase job knowledge/skills and apply new knowledge effectively to meet objectives?
- Does the CEO support and readily adjust to changing situations and priorities?
- Does the CEO consistently influence positive working relationships?

2 - Developing – *Performance meets some, and is below other requirements of the objectives.* There is need for further improvement or experience on the job before performance fully meets the objectives expected. Typically assigned to a CEO who is new to the position, is in the process of gaining a new skill or competency and is working towards becoming fully proficient, or does not meet expectations in one or more of the expected result areas. Other considerations in assigning the rating include:

- Which objectives or success measures/targets do not meet the expectations at the full working level?
- Does the CEO attempt to pursue development opportunities and/or apply new skills to meet objectives/standards?
- Does the CEO exhibit proactive problem solving to improve/and or adjust to situations or work processes?
- What behaviours are occasionally displayed that are not supportive of effective relationship building and could be detrimental to the regional health authority?

SAMPLE CEO EVALUATION QUESTIONNAIRE

1 - Consistently Does Not Meet – *Performance does not meet requirements of the objectives and significant improvement needs to be demonstrated in the short-term.* To be assigned when a CEO's performance is consistently below the minimum acceptable expectations. Consider the following about the individual performance level:

- Does the CEO exhibit an inability to apply job knowledge/skills that may be addressed by a development opportunity or further coaching?
- How does the CEO demonstrate initiative to complete objectives and/or adjust to changing situations?
- What inappropriate behaviours and actions are displayed that create ineffective relationships within and outside the regional health authority?

Instructions

Using the criteria, please indicate below your perceptions and evaluations of the CEO's work performance. Mark only those categories in which you feel able to evaluate his/her performance. Additional written comments can be made in the space provided at the end of the evaluation.

SAMPLE CEO EVALUATION QUESTIONNAIRE

| | | | | | | |
|---|--|-----------------------------|----------|----------|----------|------------|
| 1 = Consistently does not meet Requirements | 3 = Fully Achieved | 5 = Outstanding | | | | |
| 2 = Developing | 4 = Consistently Exceeds Requirements | N/A = Not Applicable | | | | |
| SUPPORT TO CORPORATE GOVERNANCE | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Help the board establish a vision, mission, and values that are consistent with the strategic direction provided by the province | | | | | | |
| Establish the directions, key expectations, and performance measures for the health region. | | | | | | |
| Support and comply with legislation, regulations, provincial policies, and Ministerial directives that promote the achievement of the strategic direction of the health system. | | | | | | |
| Fulfill the RHA's accountability to the Minister of Health. | | | | | | |
| Report regularly to the RHA board on progress related to expectations in the Accountability Document. | | | | | | |
| Work effectively with the RHA board as a whole | | | | | | |
| Has a strong working relationship with the board chair | | | | | | |
| Has a strong working relationship with board members. | | | | | | |
| Provide appropriate, adequate and timely information to the board. | | | | | | |
| Keep the board regularly informed on all important aspects of the status and development of the organization, including plans, performance issues and opportunities. | | | | | | |
| Implement board policies and recommend policies for Board consideration. | | | | | | |
| Understand the organization's requirement for governance practices and support the board in its governance duties by providing necessary information and access to people. | | | | | | |
| Ensure the board receives information destined for outside stakeholders before it is communicated to them. | | | | | | |

SAMPLE CEO EVALUATION QUESTIONNAIRE

| | | | | | | |
|--|--|-----------------------------|----------|----------|----------|------------|
| 1 = Consistently does not meet Requirements | 3 = Fully Achieved | 5 = Outstanding | | | | |
| 2 = Developing | 4 = Consistently Exceeds Requirements | N/A = Not Applicable | | | | |
| SUPPORT TO CORPORATE GOVERNANCE | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Help educate the board about the organization. | | | | | | |
| Execute the direction that is provided by the board. | | | | | | |
| The board works effectively with other RHAs, Saskatchewan Health, and other provincial agencies or boards. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| 1 = Consistently does not meet 2 = Developing | 3 = Fully Achieved 4 = Consistently Exceeds Requirements | 5 = Outstanding N/A = Not Applicable | | | | |
|--|---|---|----------|----------|----------|------------|
| LEADERSHIP | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Set a philosophy that is well understood, widely supported, consistently applied and effectively implemented. | | | | | | |
| Impart a sense of mission and inspire a commitment to the organization's goals. Acts as a model for others. | | | | | | |
| Provide clear directions and challenging but attainable performance standards for self and for others. | | | | | | |
| Demonstrate leadership in leading a performance management process that establishes annual goals, strategies and action plans that are consistent with the RHA vision and mission. | | | | | | |
| Show an ability to achieve organizational goals and objectives. | | | | | | |
| Regularly deliver a consistent message to all stakeholders regarding the vision, mission, and priorities of the organization. | | | | | | |
| <i>Integrity and Ethics</i> | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Demonstrate a high level of personal values and ethics. | | | | | | |
| Enable and enforce an organization-wide high standard of ethics and integrity. | | | | | | |
| <i>Vision, Initiative, and Innovation</i> | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Comprehend and communicate the long-range purpose of the organization. | | | | | | |
| Anticipate changes in the organization's environment. | | | | | | |

SAMPLE CEO EVALUATION QUESTIONNAIRE

| 1 = Consistently does not meet 2 = Developing | 3 = Fully Achieved 4 = Consistently Exceeds Requirements | 5 = Outstanding N/A = Not Applicable | | | | |
|---|---|---|----------|----------|----------|------------|
| LEADERSHIP | | | | | | |
| <i>Vision, Initiative, and Innovation (cont.)</i> | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Make innovative use of available resources and maximizes available resources within budget. | | | | | | |
| Demonstrate innovation in forming strategies and forming long-and short-term operating plans. | | | | | | |
| Generate, encourage, advance and promote innovative solutions and ideas in pursuit of organization's objectives. | | | | | | |
| Show creativity and initiative in creating new programs. | | | | | | |
| Regularly demonstrate creativity in identifying new opportunities and solving issues that the organization is facing. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| | 1 = Consistently does not meet Requirements | 3 = Fully Achieved | 5 = Outstanding | | |
|---|--|--|-----------------------------|----------|----------|
| | 2 = Developing | 4 = Consistently Exceeds Requirements | N/A = Not Applicable | | |
| EXECUTIVE MANAGEMENT | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 |
| Meet standard deadlines without sacrificing detail, accuracy, comprehensiveness or quality of work. | | | | | |
| Consistently make decisions that enable the organization to achieve its goals. | | | | | |
| Work with others to determine regional health service priorities | | | | | |
| Clearly articulate priorities and ensure management focus and accountability around addressing priorities. | | | | | |
| Develop, implement and adhere to a multi-year operating plan that supports the goals and objectives in the health system strategic plan and in accordance with Saskatchewan Health's requirements and timeframes. | | | | | |
| Seek feedback from public, employees, and other stakeholders as to the organization's direction and operation. | | | | | |
| Seek the confidence and support of the public and stakeholders for the operating plan. | | | | | |
| Provide programs and services in compliance with legislation, directives, program guidelines and contractual obligations. | | | | | |
| Establish and maintain a collaborative framework to ensure community involvement in determining health needs, planning and evaluation (i.e. establishing Community Advisory Networks). | | | | | |
| Incorporate the results of needs assessment activities in the design and delivery of programs and services. | | | | | |
| Routinely evaluate the effectiveness of programs and services, and implement changes as appropriate. | | | | | |
| Consult with the Department, public, communities and stakeholders prior to implementing major changes. | | | | | |

SAMPLE CEO EVALUATION QUESTIONNAIRE

| 1 = Consistently does not meet 2 = Developing | 3 = Fully Achieved 4 = Consistently Exceeds Requirements | 5 = Outstanding N/A = Not Applicable | | | | |
|--|---|---|----------|----------|----------|------------|
| EXECUTIVE MANAGEMENT | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Understand the concept of value creation and makes decisions on where to allocate resources based on maximizing value to the organization | | | | | | |
| Maintain and utilizes a working knowledge of developmental trends in the field (such as mental health, acute care, etc.) | | | | | | |
| Routinely meet the expectations set out for the RHA in the Accountability Document. | | | | | | |
| <i>Information Management</i> | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Develop, implement, and adhere to a multi-year information management plan for the region that meets the expectations described in the Accountability Document. | | | | | | |
| <i>Reporting</i> | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Provide regular and timely reporting with respect to activities and operations such as: <ul style="list-style-type: none">• Annual reports• Operational plans• Population health status | | | | | | |
| Ensure that the RHA, in cooperation with other RHAs and Saskatchewan Health, appropriately addresses local issues and provides timely reports to Saskatchewan Health for province-wide or public policy issues. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| 1 = Consistently does not meet 2 = Developing | 3 = Fully Achieved 4 = Consistently Exceeds Requirements | 5 = Outstanding N/A = Not Applicable | | | | |
|---|---|---|----------|----------|----------|------------|
| COMMUNICATIONS | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Effectively plan and coordinate communication approaches that build public support and awareness for the regional delivery of health care services. | | | | | | |
| Establish a media presence and manage media relations effectively. | | | | | | |
| <i>Relationships</i> | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Maintain good interpersonal relationships with chair, other board members, senior managers, other employees, and key stakeholders | | | | | | |
| Communicate effectively with internal and external stakeholders about the organization's mission, vision, goals and direction. | | | | | | |
| Foster independence and collaboration among team members. | | | | | | |
| Demonstrate flexibility and build effective working relationships. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| <p>1 = Consistently does not meet 3 = Fully Achieved 5 = Outstanding 2 = Developing 4 = Consistently Exceeds N/A = Not Applicable Requirements</p> | | | | | | |
|---|----------|----------|----------|----------|----------|------------|
| QUALITY | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Work with the Health Quality Council through the appropriate sharing of information and proactively identifying trends and issues of concern to the council. | | | | | | |
| Support quality improvement initiatives for the region. | | | | | | |
| Support the Quality of Care Coordinator function in the region. | | | | | | |
| Ensure that employees, contracted providers and others involved in the delivery of care in the region (such as fee-for-service physicians) have required competencies. | | | | | | |
| Consistently provide high quality health services that improve health and health outcomes. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| 1 = Consistently does not meet 2 = Developing | 3 = Fully Achieved 4 = Consistently Exceeds Requirements | 5 = Outstanding N/A = Not Applicable | | | | |
|---|---|---|----------|----------|----------|------------|
| HEALTH HUMAN RESOURCES | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Participate in implementing and monitoring health human resource planning and strategies for the province. workplaces that provide continuing education to meet RHA's objectives and supports employees using their full range of skills. | | | | | | |
| Maintain a working climate that attracts, retains and motivates a diverse staff of top quality people. | | | | | | |
| Establish career development and succession planning initiatives. | | | | | | |
| Ensure clear policies are in place for how the organization and its employees operate. | | | | | | |
| Ensure effective processes for planning, communicating, measuring, governing, delivering quality and providing for a safe work environment support the work of the organization. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| | | | | | | |
|---|--|-----------------------------|---|---|---|-----|
| 1 = Consistently does not meet Requirements | 3 = Fully Achieved | 5 = Outstanding | | | | |
| 2 = Developing | 4 = Consistently Exceeds Requirements | N/A = Not Applicable | | | | |
| FINANCIAL | | | | | | |
| How well does the CEO... | | | | | | |
| Table a balanced operating budget. | 1 | 2 | 3 | 4 | 5 | N/A |
| Has a solid, up-to-date understanding of the organization's income statement, balance sheet, cash flow and other financial measures relevant to its business and financial situation. | | | | | | |
| Provide regular updates on the financial situation of the organization. | | | | | | |
| Have support from a qualified and competent CFO or other finance officer who has day to day accountability for managing and monitoring the organization's finances | | | | | | |
| Monitor and report on the performance and financial status of health care organizations and contract providers who receive funding through the region. | | | | | | |
| Ensure that the organization's financial records are accurate and up to date. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

| 1 = Consistently does not meet Requirements | 3 = Fully Achieved | 5 = Outstanding | | | | |
|---|--|-----------------------------|----------|----------|----------|------------|
| 2 = Developing | 4 = Consistently Exceeds Requirements | N/A = Not Applicable | | | | |
| CAPITAL | | | | | | |
| How well does the CEO... | 1 | 2 | 3 | 4 | 5 | N/A |
| Ensure that the physical assets (i.e. facilities, equipment) owned or operated by the RHA and/or their affiliates and health care organizations support the provision of the expected range and volume of services. | | | | | | |
| Ensure the facilities owned or operated by the RHA and/or their affiliates and health care organizations incorporate pro-active maintenance programs to protect the assets (facility and equipment). | | | | | | |
| Collaborate in the development of long-range plans for major medical equipment replacement and facility renovations or replacements using the Facility Management Plan from <i>The Saskatchewan Health Capital Planning Guide</i> as reference. | | | | | | |

Score: _____

SAMPLE CEO EVALUATION QUESTIONNAIRE

Summary Score

| Key Area | Score | Maximum Score Possible* |
|---------------------------------|-------|-------------------------|
| Support to Corporate Governance | | 80 |
| Leadership | | 75 |
| Executive Management | | 90 |
| Communications | | 30 |
| Quality | | 25 |
| Health Human Resources | | 25 |
| Financial | | 30 |
| Capital | | 15 |
| Total Score | | 370 |

* reduce by "5" for every N/A recorded

Accomplishments

List the major accomplishments for the CEO.

| Accomplishment | Comments |
|----------------|----------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

SAMPLE CEO EVALUATION QUESTIONNAIRE

Goals and Objectives

List the top goals set out for the CEO for the past year and the status of achievement for each.

| Goals | Status |
|-------|--------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Opportunities to Increase Performance

List areas where the CEO could improve performance and how those areas could be developed.

| Area of Improvement | Resources/Plan for Development |
|---------------------|--------------------------------|
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Overall Assessment and Comments

CEO HIRING GUIDE



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

Introduction

The Chief Executive Officer (CEO) positions in regional health authorities are important and challenging roles requiring talented leaders.

In general, the CEO is the position in the organization that carries the responsibilities of carrying out the plans, policies and directives set by the Board. While the board Chair is the head of the board, the CEO is head of management. The CEO has three main functions:

- implement strategic plans and directives;
- enable the Board to fulfill its governance role; and
- provide leadership and direction to the organization's vision, mission and values.

In Saskatchewan, the CEO is responsible for management/administration of all health services and programs under the direction of the board.

The CEO supports the strategic direction of the board to ensure that quality, effective and integrated health programs and services are delivered to the residents of the health region and Saskatchewan.

The relationship between the board and the CEO is crucial to the ongoing success of the organization. This relationship should be one of trust and mutual respect where each party understands and appreciates the role of the other. The board provides oversight and holds the CEO accountable for the organization's performance and, in so doing, must probe and critically evaluate management's proposals and decisions. On the other hand, the board and its members provide strategic advice and give support to the CEO.

Recruiting a new CEO is one of the board's major undertakings. This task requires a lot of preparation, including identification of skills/abilities that the board requires the

CEO to possess. Regional health authorities are encouraged to develop a recruitment plan containing position description, roles and responsibilities, and competencies of the CEO position. A recruitment plan also contains information such as potential interview questions and processes for reference checks and maintaining confidentiality.

The Board's Role in Hiring

A board has many roles including providing strategic direction and leadership for the organization. Since the responsibility to manage the organization is delegated to the CEO, the board also has an important duty to ensure that the organization has effective executive management. This includes:

- recruiting and hiring the CEO;
- setting expectations as defined in the employment contract, job description and the annual goals and objectives of the organization; and
- evaluating the performance of the CEO.

The board establishes the selection process for the CEO and hires the CEO in accordance with the process.

Since the hiring process can be lengthy, it is very important that the organization have a transition or succession plan in place until the new CEO is hired.

Sample Hiring Process

Needs Assessment

Before beginning the search, the board will find it beneficial to **take inventory of the organization**. This means that the board assesses the needs, strengths and areas of improvement of the organization as well as any potential future challenges. The assessment considers characteristics unique to the organization as

well as needs. The benefits of undertaking the assessment is that it will provide the foundation of the CEO job description by identifying competencies and characteristics needed to uphold organizational strengths and help address any challenges. Items to include in the assessment are: vision and mission (including future goals), staff morale and needs, image and reputation, financial status, board and senior management roles, and organizational structure (as shaped by bylaws, policy and legislation).

Before proceeding with CEO job advertisement, determine what competencies and characteristics are needed to support the organization.

When conducting the assessment, it would be wise for a board to acknowledge any obstacles that could prevent an individual from accepting the CEO position such as:

- is the salary compatible with the expectations of the position?
- does the organization and the board have a positive reputation for treatment of the CEO?

After the above information is gathered, a board can then start **preparing a position profile**. A position profile clarifies what type of person the CEO would be. For example, what competencies, characteristics and experience will be essential for the right CEO to have to be compatible with the organization's culture and values? In addition, preferred criteria could also be listed to support the essential criteria identified. It is important that the board agrees on these items; boards may find it valuable to have senior management participate and share their insight.

Utilizing this new position profile the board can proceed to **review and update the CEO job description**. Typically, a job description reflects the expectations of what the CEO will

accomplish, provides a description of specific responsibilities and duties, clarifies the division of responsibilities between board and CEO, as well as the governance style of the board. While the board oversees the CEO, a key role of the CEO is to manage the business and to be accountable to the board.

In examining the job description, the board should also **review the salary and benefits package**. CEO salary ranges each regional health authority are specified by the Ministry of Health's *CEO Salaries Directive* policy. Boards are required to follow this policy.

CEO Recruitment Process

When conducting a CEO search, it is important to remember that considerable time is needed for screening applications and conducting reference checks. Due to the timeliness of a recruitment process, a board may consider using a professional recruitment agency to screen candidates and provide some initial comments. Utilizing a professional recruitment agency may be best when there are no obvious candidates, when time is important and when the search is being conducted at the national or international level.

Before beginning the search, the Board (or a committee that has been struck to oversee the recruitment process) needs to **identify essential criteria and preferred criteria** of a successful applicant; this criteria will serve as the screening criteria for all applicants. The board should also have the interview questions and assessment sheets for interview use prepared before the search begins.

In addition, general information about the regional health authority programs, services, size, and budget as well as the community it serves should be provided to short-listed candidates.

After the board has completed these tasks, they can then **begin the search**. A high level of confidentiality should be maintained throughout the recruitment and hiring process. As such, the board needs to have answers to the following questions:

- where will the applications be sent to?
- who will be responsible for opening the mail?
- who prepares the information for the board or committee?
- who will call to set up the interviews?
- who will write and send out rejection letters to unsuccessful applicants?

A Board can **identify potential candidates** by inviting CEOs and other senior executives to submit names of individuals who they identify as being suitable for the job, by directly appealing to specific individuals or by advertising for candidates in newspapers, websites and online job search engines.

After the deadline for applications has closed, the Board or committee screens the resumes against the key criteria set out for the position. A short-list of candidates, usually three to seven, is compiled and those individuals are then invited for interviews.

When **scheduling and conducting interviews**, be sure to allocate enough time to cover the interview questions and get to know the interviewee.

Interview questions should guide the hiring committee to gain a sense of how the CEO candidate can demonstrate the necessary skills and competencies, align with the strategic direction of the board, and advance the organization towards its mission and vision.

When the time arrives to **select the candidate** for the CEO position, the board should consider

many factors and not just rely on the information provided during the interview. Factors to consider include: interview performance, references and the alignment between the interview answers and experience.

Hiring the Successful CEO Candidate

Upon **offering the position** to the successful CEO candidate, the Board or hiring committee should be clear about salary, salary increment schedule (set out by the *CEO Salaries Directive* policy), benefits, holidays and length of probation period. Most likely, these will be set out in the CEO contract.

CEO Contract

Sections 31 and 32 of *The Regional Health Services Act* outline standard conditions for employment of the CEO and provisions for CEO termination. These requirements need to be articulated in the CEO contract. For example, amendments to a CEO contract need to be filed within 30 days, the CEO contract must be publicly available, and there are notification requirements for CEO termination. All potential candidates need to be made aware of these requirements prior to a formal offer being made.

As previously noted, salary levels, preferred payments, as well as economic adjustments should be clearly set out in the contract. In addition, the contract should set out the benefits and allowances that will be provided pursuant to the contract. The Saskatchewan Association of Healthcare Organizations (SAHO) administers employee benefits for most of the health sector. For more information contact SAHO or refer to their Internet site, <http://www.saho.org>.

A model CEO contract template is provided on the Internet at <http://www.health.gov.sk.ca/rha-policy-procedures-manual>.

Candidates should also be advised that the regulations under *The Regional Health Services Act* require the disclosure of salaries and benefits.

Before a candidate accepts the position, he or she may have additional questions. It is important that the Board answers these questions honestly and openly, even if the answers do not portray the organization favorably. This transparency is important in helping the board and CEO build a trust relationship with each other.

It is difficult to establish and maintain an effective working relationship when the CEO later discovers that he or she has been misinformed, misled, or uninformed about important organizational issues.

There are occasions where tensions can exist. Should this dynamic relationship become adversarial, dysfunction and poor decision-making will invariably result. Thus, it is important that the Board hires a CEO with whom they feel they can have a good, effective working relationship

SAMPLE JOB DESCRIPTION

Job Title: Chief Executive Officer

Function

To provide leadership to the organization and support the Board's governance role. Implement strategic plans and directives. Lead and direct the organization's vision, mission. Oversee organization operations to ensure the efficient delivery of high quality health care services and cost-effective management of resources.

Reports to

Board of Directors

Experienced in Core tasks

- Management
 - human resource management
 - staff organization
 - business reorganization
 - Reputation
 - Public Relations
- Business and strategic planning
- Leading (others, groups, organizations)
- Performance management
- Coordinating activities
- Resource allocation and finances
- Organizational change and performance management
- Service management
- Succession planning

Experienced in Core tasks

- Problem solving capabilities;
- Strategic orientation;
- Leadership;
- Results Orientation;
- Communications skills;
- Human Values (integrity, team building);
- Commitment to Learning;
- Client Service Orientation;
- Flexibility;
- Financial Management; and
- Board relations.

Qualifications

- Relevant academic preparation from a degree granting or professional body;
- Demonstrated senior management experience in progressive and complex organizational environments;
- Proven track record in an executive capacity in the health sector;
- Strong business credentials; and
- Solid background in comprehensive programs service and planning with particular commitment to public health issues.

Major Responsibilities/Accountabilities

- Carries out policies established by the Board with the goal of supporting and enhancing an integrated health services system within the Region;
- Develop and implement/operationalize the strategic plan set out by the board;
- Manage in accordance with organizational policies and direction;
- Ensure financial performance and appropriate resource allocation;
- Ensure systems and structures are in place for the effective management of the organization;
- Identify, monitor and manage risks and report results;
- Demonstrate integrity and ethical leadership;
- Recruit and select senior management team members, train and monitor senior management team, and assess the performance of other management staff so as to ensure a good management team is in place including succession planning;
- Promote and support the organization's values, culture and philosophy;
- Be responsible for the allocation of the valuable capital, human and technical resources;
- Represent the board externally to the community, government, media and other organizations and agencies;
- Ensure compliance with all legislative and regulatory requirements; and
- Attend board and committee meetings as required.

CEO Performance Evaluation

As the CEO position is critical in defining the success of the board, it is very important for the board to have a process in place to monitor and evaluate CEO performance. The monitoring and evaluation of the CEO's performance is one of the board's most critical functions. Annually, the board should conduct the CEO's formal performance evaluation, review and approve his or her compensation plus set his or her goals and objectives for the upcoming year. There is a sample CEO Evaluation Tool located on the Internet at <http://www.health.gov.sk.ca/governance>.

The board delegates responsibility and related authority to the CEO for the management and operation of the organization and the CEO is accountable to the board.

The evaluation process is the mechanism for communicating goals, accomplishments, expectations and accountabilities, leading ultimately to CEO and board success. Evaluation is also beneficial for CEO development. The process provides opportunities to recognize excellence, plus identify and acknowledge strengths as well as shortfalls.

CEO evaluation contributes to a board's responsibility in recruiting and hiring the CEO. During recruitment, a board typically has specific expectations and goals in mind for a CEO to achieve. These expectations play a role in the recruitment process by shaping the characteristics a board seeks in the CEO. As such, evaluating the CEO lends support to a measure of the effectiveness of the CEO recruitment process. In other words, did the recruitment process work? Did the board get what they set out to attain? Evaluating the CEO provides the board with additional insight to ensuring the organization

has effective executive management. That said, it is important that the CEO evaluation is focused on evaluating performance, not simply on evaluating compliance.

The process for setting the CEO's performance expectations and his or her subsequent evaluation should be agreed upon annually in advance by the board and the CEO. In addition to performance objectives, some factors the CEO can be evaluated on include: relationships, leadership, human resource management, stewardship, plus strategic planning and vision. The annual review should provide an opportunity for open and frank discussion, and it should allow the CEO to talk to the board about past performance assessments and to set goals for the upcoming year. The process should allow opportunity for the board members to discuss the CEO's performance, and feedback provided to the CEO should be delivered professionally in keeping with the nature of the review.

The focus of the CEO evaluation process should be informative, identifying areas where improvement is needed and recognizing and building on the positive governance practices the boards have developed.

A CEO Evaluation Tool was developed by the Governance Committee for RHA board use and is available on the Internet at <http://www.health.gov.sk.ca/governance>.

Overall, in the evaluation process, it is recommended that:

- Expectations/criteria for the CEO are agreed on by the CEO at the beginning of the evaluation period, and are objective and quantifiable to the fullest extent possible;
- Evaluations occur as quickly as possible after the measurement period ends;

- Accountability mechanisms relating to performance are identified and expanded; and
- The whole process of evaluation is informative and constructive, not punitive; it focuses on solutions rather than problems.

Additional Resources

To assist boards in their governance function, a list of resources, templates and tools have been developed by the Governance Committee and Saskatchewan Ministry of Health. The material is not intended to be prescriptive; each board is different and what may work for one board may not necessarily work for another. Boards are encouraged to adapt and use these documents to suit their organization.

Included in these resources are the following, located on the Internet at <http://www.health.gov.sk.ca/governance>:

- CEO Evaluation Tool
- Guide to Corporate Governance
- Selected Governance Resources

Additional resources can be found on the Internet at <http://www.health.gov.sk.ca/rha-policy-procedures-manual> and include the following:

- RHA CEO Model Contract
- RHA CEO Salaries Directive

A GUIDE TO HEALTH SERVICES



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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PART ONE INTRODUCTION

Purpose of the Guide to Health Services

This discussion paper outlines health services that must be available or accessible to all Saskatchewan residents to promote health and prevent illness or injury. They range from health education and promotion to palliation, and are provided for the entire life cycle. To meet requirements, a regional health authority must ensure that specified services under each category (and, where applicable, under each more specific component) are provided or made available to residents of the health region. This paper is designed to provide basic health service information to board members. More information can be found on the Saskatchewan Health Internet site, <http://www.health.gov.sk.ca/>.

The description of services given in this guide provides a general overview of health services commonly delivered within Saskatchewan. The current delivery of health care services outlined in this document can vary across health regions in Saskatchewan. For example, respite services (designed to provide relief for caregivers) can be delivered in a residential home or in a health care facility. Resources (such as staffing) and the population needs determine how the services are delivered. While each organization might tailor the service delivery in a slightly different fashion, this document attempts to provide a broad overview of the service through a basic description.

“Regional Health Authority” refers to one of 12 corporate bodies in Saskatchewan. Each regional health authority is governed by a 12-member board appointed by the Minister of Health. Board members of regional health authorities are

selected from community leaders and individuals with knowledge and commitment to lead the health system. Community Advisory Networks provide additional guidance to regional health authority boards. Health regions work closely with the provincial government in planning and delivering health care services.

The **Saskatchewan Cancer Agency** is a corporate body established under and regulated by *The Cancer Agency Act* with responsibility for conducting a program for the prevention, diagnosis, treatment and follow-up of cancer in Saskatchewan.

A “**Health Care Organization**” receives funding from a regional health authority to provide health services in compliance with provincial policies and legislation.

The **Athabasca Health Authority** is a non-profit corporate body operating under the authority of *The Non-profit Corporations Act*. Membership includes First Nations and non-First Nations communities located in the Athabasca Basin.

Saskatchewan Ministry of Health

The Saskatchewan Ministry of Health has a mandate to support Saskatchewan residents in achieving their best possible health and well-being. The Ministry of Health carries out this mandate by establishing policy direction, setting and monitoring standards, providing funding, supporting regional health authorities, and ensuring the provision of essential and appropriate services to Saskatchewan residents.

The Ministry of Health is responsible for the following:

- monitoring, reporting on, and evaluating services and regional system performance
- making recommendations about health system directions and priorities

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- facilitating the development and implementation of health policies and strategies, including legislation, standards and measures
- monitoring and assessing population health status
- monitoring and securing the boards' compliance with legislation and standards
- evaluating the performance of the health system
- making recommendations about the boards' funding
- administering the Saskatchewan Health Care Insurance Plan
- managing the provincial drug plan including provision of supplementary health benefits
- managing the provincial vital statistics program
- improving the quality and management of health information
- administering the Saskatchewan Aids to Independent Living program, the air ambulance program, Saskatchewan disease control laboratory, drug benefits and communicable disease programs

In addition, the Ministry of Health works closely with its many partners in the health sector to ensure the delivery of high quality services and to ensure the health system remains accountable to the people of the province and sustainable into the future.

Roles and Responsibilities of Regional Health Authorities

Regional Health Authority Services

Each regional health authority board is responsible for the planning and co-ordination of programs and services that respond to the needs of the region. Section 27 of *The Regional Health*

Services Act sets out these responsibilities that include the following activities:

- planning and delivering health services
- allocating and managing resources
- ensuring reasonable access to services
- monitoring, reporting on, and evaluating services and regional system performance
- conduct needs assessments
- soliciting community input and dialogue
- providing information
- emphasizing wellness
- maintain a concerns resolution process

The major services regional health authorities are responsible to provide are:

- hospital services
- operating health centers, wellness centers, and social centers
- emergency response services
- supportive care, such as long-term care, day programs, respite, palliative care and programs for patients with multiple disabilities
- community health services such as home care services, chiropody and speech pathology
- public health services such as public health nursing, public health inspection, dental health, vaccinations,
- mental health services
- rehabilitation services

In addition to the direct delivery of services through its own staff, the region may have agreements with non-government health care organizations or other agencies for the provision of health services.

Health Care Organizations

Health care organizations are those organizations that receive funding from a regional health authority to provide health services. Health care

PART ONE: INTRODUCTION

organizations include both non-profit and for profit health care organizations. The majority of non-profit health care organizations are hospitals and special care homes that are owned by non-profit groups, often organizations with a religious affiliation, governed by their own boards. In addition, there are a variety of health care organizations that provide mental health and addictions services.

For-profit health care organizations include special care homes operated by Extendicare Canada.

All health care organizations are required to provide health services in compliance with all provincial legislation and policy. Part VI (sections 38 to 41) of *The Regional Health Services Act* outlines the responsibilities and powers of health care organizations. Health care organization boards are accountable to the owners of the facilities. These boards are also accountable to the Minister of Health and to the regional health authority in which they operate for the programs and services they provide. In addition, boards of health care organizations are answerable to clients for health services.

Saskatchewan People

Saskatchewan people are responsible for their own and their family's health by maintaining healthy behaviours and lifestyles, and by keeping informed on environmental, social and economic factors that may affect health. Saskatchewan people have the right to make their own health decisions in consultation with a variety of health providers. They also have a right to health information to help them make the best decisions.

Under *The Health Information Protection Act*, individuals have the right to expect that the privacy of their personal health records will be protected and that they may gain access to their health records. Individuals also have an obligation to use the health system in a responsible manner; this includes:

- assisting health professionals by providing relevant information about their health;
- educating themselves about available health services and using such services appropriately; and
- following instructions when obtaining diagnostic and treatment services. This includes, for example, completing any course of prescribed drug therapy (unless otherwise instructed by the individual's health provider).

People of Saskatchewan who have concerns about the health system have a variety of channels for raising these concerns. These include the Minister of Health and the Minister of Healthy Living Services, the Ombudsman and Children's Advocate, the Information and Privacy Commissioner, RHAs, Saskatchewan Cancer Agency, health care organizations, regulatory bodies of professions, and specific appeal bodies.

PART TWO

LEGISLATIVE FRAMEWORK

The Ministry of Health has a mandate to support Saskatchewan residents in achieving their best possible health and well-being. To facilitate this process, the Ministry of Health sets standards in a variety of ways including legislation, regulation and policy. Health related legislation/regulations can be found at the Queen's Printer Internet site: <http://www.qp.gov.sk.ca/>.

Policies relating to the delivery of health services can be found at <http://www.health.gov.sk.ca/rha-policy-procedures-manual>.

The Regional Health Services Act outlines the responsibility to plan, organize, deliver and evaluate health services within the region and any area directed by the Minister of Health. For each service, this includes assessing, updating, providing, co-ordinating, evaluating, promoting, or anything directed by the Minister of Health.

Furthermore, Section 10 of *The Regional Health Services Act* allows the minister to designate all or part of a facility operated by a regional health authority to one of the categories of facilities established in *The Facility Designation Regulations*.

Categories of regional health authority facilities established under *The Facility Designation Regulations*, include the following:

- Addiction treatment center
- Health center
- Residential treatment center
- Special-care home
- Hospitals including:
 - Community or Northern
 - District
 - Regional
 - Provincial
 - Rehabilitation center in Regina

The Facility Designation Regulations details the services that each type of health care facility operated by a regional health authority, or health care organization, or the Saskatchewan Cancer Agency must provide as well as those that may also be provided.

Every health service provided by a regional health authority or health care organization or the Saskatchewan Cancer Agency has to meet prescribed standards applicable to that facility or health service (section 11 of *The Regional Health Services Act*).

Information regarding location and classification of various health care facilities in Saskatchewan can be found at <http://www.health.gov.sk.ca/adx/aspx/adxGetMedia.aspx?DocID=1061,94,8,Documents&MediaID=1764&Filename=rha-designated-facilities.pdf>.

PART THREE

HEALTH SERVICES

Population Health/ Public Health Services

Population health is an approach that addresses the entire range of factors that determine health and, by so doing, affects the health of the entire population.

Public Health implements a population health approach and has 6 key functions which are:

- Health promotion
- Disease and Injury prevention
- Health protection
- Population health assessment
- Health surveillance
- Emergency preparedness

Public Health initiatives that promote and protect health and prevent disease and injury are the focus of population health. There is increasing understanding that many of the factors that determine health lie outside the control of the traditional health sector. These factors include the environment, family and social supports, economic status and individual behaviors. Population health strategies are designed to address the needs of whole groups of people rather than focusing on individual needs.

The Ministry of Health staff provides consultant services and materials to assist in program planning and evaluation such as health assessment and surveillance data. More information about population health branch of the Ministry of Health can be found on the internet at: <http://www.health.gov.sk.ca/population-health>.

Many of the following services are organized and delivered by interdisciplinary teams. This section summarizes the services delivered, not who

delivers the service. For example, communicable disease control is a responsibility of public health nurses, public health inspectors and medical health officers.

Population Health Promotion Services

Education and health promotion programs can effectively be delivered at the regional health authority level. These services and programs must be based on the needs identified in the health region and on provincial priorities for health promotion. The Ministry of Health provides support to regions, including education and health promotion programs.

The purpose of health promotion activities is to:

- enhance health
- protect health
- prevent disease
- provide early detection or intervention in the treatment of a health condition

As health regions identify the need for treatment services for disease or accidents that are preventable, consideration is given to education and health promotion initiatives to reduce the need for treatment.

Health promotion activities include education, community development, partnering with other agencies, providing incentives for positive behaviors and supporting policies that improve access to health services and reduce inequities in services.

Information programs are provided for the public, professionals and students, industry, and community members and services providers on a variety of topics, Including:

- accident prevention, including poisoning prevention, back injury prevention and traffic safety
- fitness and recreation
- tobacco, alcohol and other drugs

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- family planning
- reproductive health
- dental health and community fluoride programs
- family violence
- communicable diseases including AIDS and other sexually transmitted diseases
- mental well-being
- stress management
- self-esteem

Public Health Inspection and Monitoring

Public health inspection and monitoring involves safeguarding the environment and health of the public through education, consultation, inspection, monitoring and enforcement of health legislation.

This includes monitoring food sanitation, communicable disease investigation, as well as inspecting and monitoring public recreation facilities, public accommodation, water supply and waste disposal systems, environmental pollution, institutions and plumbing. Community education on safe food handling and swimming pool operation is also offered.

Immunization and Communicable Disease Control

Controlling communicable disease limits its spread to others. Risk is reduced when people are immunized and action is taken to stop the spread of communicable disease.

Follow-up for some communicable diseases, such as sexually transmitted diseases, includes counseling, treatment and contact tracing. Anonymous testing and counseling for AIDS (Acquired Immune Deficiency Syndrome) and HIV (Human Immunodeficiency Virus) infection supplement health promotion, prevention and support programs already available for AIDS/HIV.

Tuberculosis control programming includes the management of the identification, treatment, monitoring, education, and prevention of the spread of tuberculosis. The incidence of communicable disease to provide early signals of a potential epidemic are also tracked and monitored.

Screening Programs for Children

Screening programs for children contribute to an assessment of health status. This includes screening of vision, hearing, dental health, growth and development, speech and language development and nutrition. Results from these screening programs must be combined with other assessments to give a comprehensive picture of the individual's or family's needs. Referrals are then made to the appropriate services for treatment and assistance.

Nutrition Services

Public Health nutrition promotes, protects and supports healthy eating. The emphasis is on good nutritional health and the prevention of illness.

Nutrition services may include promotion of healthy pregnancies and child growth. They also aim to reduce the risk factors for heart disease, cancer, diabetes and allergies. Support to school-based nutrition policies and programs are also provided.

Pre- and Post-Natal Programs

Pre- and post-natal programs include education programs on healthy pregnancy and baby care. They also provide follow-up and support to early maternal discharge programs and to families and their newborns or adopted children.

Conditions such as rubella, syphilis and certain metabolic disorders which affect the health of unborn children and infants are monitored or are identified through screening programs designed to protect mothers and their infants.

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Parent Education Programs

Parent education programs include information on:

- family planning
- child care and nurturing
- physical growth and development
- speech and language development
- hearing
- cognitive, social and emotional development
- nutrition
- dental care
- alcohol and other drugs
- fostering the development of self esteem and responsible decision-making
- accident prevention
- services for teen parents

Community Based Services

The Ministry of Health provides funding to Regional Health Authorities (RHAs) to deliver a continuum of community services designed to promote healthy living to those residents who have Saskatchewan Health coverage.

The Ministry provides direction through the development of provincial objectives, policies, procedures and standards in consultation with the RHAs. The Ministry monitors RHA service delivery from a provincial perspective through an accountability process.

Home Care Services

Primary Home Care Services

The Home Care Program is designed to provide services to people who need acute, supportive, and palliative care to remain independent at home. The functions of home care include acute care/hospital substitution, long-term care/special-care home substitution, and prevention of health and functional breakdown.

Home care services encourage and support assistance provided by the family and/or community. RHAs have a single point-of-entry system that provides assessment and care coordination for clients. All services are provided on the basis of assessed need and degree of risk for illness, injury and institutionalization, regardless of diagnosis or age. This includes support for caregivers who are caring for a dependent child, spouse or parent at home.

Acute, palliative and supportive care provided to a person in their own home may consist of a mix of services based on assessed needs. All services must be provided in accordance with the standards established by the Ministry of Health.

Charges for home-based services are in accordance with provincial policies and rates. Fees are assessed based on service type, an individual's income, and volumes of services delivered and the fees will vary for each individual. Clients can apply for an income-tested subsidy.

Primary home care services may include:

- case management and assessment
- nursing
- meals
- homemaking which includes respite, personal care and home management.

Additional Home Care Services

- minor home maintenance
- therapies (in some areas)
- certain volunteer services such as visiting, security calls, and transportation.

Palliative Care Services

Palliative Care Services refer to integrated interdisciplinary services that provide active compassionate care to the client who is terminally ill at home, in hospital or in another

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care facility. Palliative care is provided regardless of type of illness.

Services aim to enhance quality of life of the individual. They try to meet the physical, emotional and spiritual needs, including bereavement support, experienced by the terminally ill person and their loved ones.

Clients may be considered “palliative” when their condition has been diagnosed by a physician as terminal with life expectancy of weeks or months, active treatment to prolong life is no longer the goal of care, or the case management assessment has determined that the individual is palliative.

Respite Care Services

Respite care is any combination of services provided specifically for the purpose of giving relief to the family or other primary caregivers of a dependent person who lives at home. Respite services are determined through a home care assessment and development of a care plan to meet that objective.

Respite care may be provided in the person’s home or in other residential-care settings such as a special-care home. Charges for respite care are in accordance with provincial policies and rates.

Specialized Programs

Individualized Funding

RHAs are authorized to provide funding to an individual to arrange and manage his/her own supportive care services. The level of funding is based on assessed need and is used for approved services only. Services may include personal care, home management and other support services.

Collective Funding

Collective Funding is designed to simplify the managing, funding and accounting process for groups of people living together that are eligible

for individualized funding through the home care program

Children with Highly Complex Care Needs

RHAs are authorized to provide support to family caregivers to allow children with complex life-threatening conditions to live at home in their community.

Additional information and the Home Care Policy Manual can be found at: <http://www.health.gov.sk.ca/home-care>

Residential Long Term Care Services or Special-care Homes

A special-care home is a facility that provides institutional residential long term care services to meet the needs of individuals usually having heavy care needs, that cannot appropriately be met in the community through home/community based services. Special-care homes may be referred to as nursing homes.

Individuals are admitted to special-care homes on the basis of assessed need. The assessment and prioritizing of individuals for placement in special care homes is the responsibility of the RHA. Individuals who wish to request an assessment should contact their local RHA as most regions have a single point entry system to supportive services.

Special-care homes may also provide support to family care providers through respite care and adult day/night programs. Respite is short term in a facility for up to sixty days, offered to persons who normally reside at home but are dependent on family members. Adult day/night programs provide organized health and social services to people who live in the community. Charges for respite care and adult day/night programs are in accordance with provincial policies and rates.

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Special-care homes are designated by the Minister under The Regional Health Services Act. RHAs may operate a special-care home directly or through an affiliate or contract. Section 12 of The Facility Designation Regulations sets the requirement for special-care homes to provide personal care or nursing care to residents. This section also allows special-care homes the option to provide convalescent, rehabilitative, palliative, respite or day program care.

Government funds special care homes through RHAs. Residents pay an income-tested charge.

For more information on how fees are calculated for residents of special care homes, see the following Internet source: <http://www.health.gov.sk.ca/special-care-homes/>

Program Guidelines for Special-care Homes are produced and maintained by Saskatchewan Ministry of Health (Note: These guidelines are being updated and are expected to be available on-line in 2011.)

Mental Health and Addiction Services

Mental Health Services

The overall goal of Saskatchewan's mental health services is to promote, preserve and restore the mental health of the population.

RHAs deliver mental health services within all health regions or within service areas involving multiple health regions. Services are accessible to all Saskatchewan residents.

The mental health program operates in accordance with the standards and guidelines of the *Mental Health Services Act and Regulations*.

Adult Community Services

Direct and indirect clinical and consulting services are available for adults through RHAs in Saskatchewan.

Direct services include diagnosis and treatment of a wide variety of mental health problems as well as counseling and support for community clients. Indirect services take the form of consultation and support to other agencies, such as forensic assessment of individuals who are being processed through the justice system, among others.

The Alternatives to Violence program provides services to perpetrators of partner abuse, including voluntary and court mandated individuals. These specialized programs are offered through RHA Mental Health Services.

Sex Offender Treatment Groups provide services to perpetrators of sexual abuse, including voluntary and court-mandated referrals.

Specialized programs are offered through RHA Mental Health Services.

Psychiatric Rehabilitation Services

This program assists long-term mentally ill clients through the provision of long-term case management services, which can include housing in the form of group and approved homes as well as independent living options. Day activity and recreational programs, family respite and education, as well as crisis management are also provided to support clients and their families.

A number of community-based organizations provide a range of vocational and prevocational services to rehabilitation clients in a number of RHAs.

The Saskatchewan Schizophrenia Society is a provincial organization that offers support to psychiatric rehabilitation clients and their families throughout the province.

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Inpatient Care Services

The goal of inpatient service is to restore individuals' capacity to live independently. Diagnostic and treatment services are provided on an inpatient basis in designated mental health units within general hospitals. These services cover a wide range of acute mental illnesses. In some centres, day treatment is also provided.

Inpatient services are provided in:

- Battlefords Union Hospital
- Moose Jaw Union Hospital
- Prince Albert Victoria Hospital
- Regina General Hospital
- Saskatoon City Hospital
- Saskatoon Royal University Hospital
- Swift Current Regional Hospital
- Weyburn Mental Health Center
- Yorkton Mental Health Center

Saskatchewan Hospital North Battleford (SHNB) is the province's only facility dedicated specifically for intensive rehabilitation of people with mental illness. SHNB is managed by the Prairie North RHA but serves the entire Province.

The hospital's mandate is to provide longer-term rehabilitation to people with mental illness whose needs cannot be met in acute mental health facilities operated by other RHAs. In addition to psychiatric rehabilitation, SHNB also provides a 25-bed Forensic Unit for remand assessment, treatment and special disposition under the Criminal Code for persons found "Not Criminally Responsible" or "Unfit to Stand Trial". Admissions for the Forensic Unit are by referral through the justice system.

Services for Children and Youth

Child and youth mental health services work to meet the mental health needs of children and youth in Saskatchewan. Services are available to

children and youth with serious and persistent mental health disorders, with less severe mental health and behavioral challenges and those who are at risk of developing mental health and behavioral problems.

Services are provided through RHA Mental Health Services for children and youth.

Inpatient services for children and youth are provided in a six-bed adolescent ward in the Community Assessment Treatment Unit at Royal University Hospital in Saskatoon and a 10-bed adolescent ward in the General Hospital in Regina.

A number of community-based organizations also receive support from health regions to provide services for children and youth. These organizations include the Rainbow Youth Centre and Autism Resource Centre, both in Regina, and Autism Services in Saskatoon.

Services for Youth and Adult Offenders

Mental Health Services for youth and adult offenders, including sex offenders and men who abuse women, include: assessment, education, treatment, relapse prevention training, case management and consultation. These services are delivered to groups or individuals. They are planned and delivered through a close partnership with the justice system, social services and other agencies. The court may order psychiatric and psychological assessment of offenders to determine their suitability to stand trial. Mental health professionals advise the justice system about appropriate treatment options.

North Battleford has a specialized forensic unit that provides secure assessment, treatment and consultation for those involved with the justice system.

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Problem Gambling Services

All RHAs in Saskatchewan provide problem gambling outpatient counseling services. Specialized day treatment, seniors' and aboriginal counseling services are available in some RHAs. A wide range of innovative and specialized prevention and education resources have been developed by Saskatchewan Health and are available free of charge. In-patient services are also available at Slim Thorpe Centre in Lloydminster to clients in need. The Problem Gambling Health Line provides help to people with gambling problems and their families. The callers receive confidential professional services 24 hours a day, seven days a week.

Crisis Intervention Services

The Ministry of Health provides funding to support the crisis response services delivered through Saskatchewan's confidential health advice telephone line, HealthLine. Since December 2006, mental health specialists have been available on a 24-hour basis as an enhancement to its crisis response services.

HealthLine nurses, after assessing callers, can transfer them to dedicated social workers or registered psychiatric nurses, who are specially trained to handle crisis calls and provide referrals.

This service is not intended to replace existing services, but to supplement those currently within each RHA. HealthLine's professional registered psychiatric nurses and social workers are available 24-hours a day when people in urban or rural areas need help coping with mental health or addictions concerns.

Services for Alcohol and Drug Abuse

Outpatient Services

Outpatient service agencies are the starting point for families and individuals concerned about their own or others' use of alcohol or other drugs.

Most people with substance use problems can be adequately helped on an outpatient basis. Outpatient services are available in every RHA. Qualified addictions rehabilitation counsellors provide a whole range of services, including assessments, intensive one-on-one and group counselling, education and support. While attending outpatient appointments, clients continue to carry on with their day-to-day activities, such as working, school and caring for the family.

As part of the recent new initiatives in Alcohol and Drug Services new community supports have been introduced in the RHAs.

Detoxification Services

For people with more severe substance use problems, treatment often begins in a detoxification facility. Staff at these facilities work to provide a safe and comfortable environment in which the client is able to undergo the process of alcohol and other drug withdrawal and stabilization. Usually detoxification lasts seven to 10 days. During this time, clients return to normal daily living routines, participate in activities held at the facility, and are linked with resources in the community including self help groups.

Detoxification Services are currently offered at the following centres:

- La Ronge: La Ronge Health Centre
- Lloydminster: Slim Thorpe Centre
- Meadow Lake: Robert Simmard Centre
- Moose Jaw: Angus Campbell Centre
- Prince Albert: Metis Addictions Council of Saskatchewan Inc.(MACSI)
- Regina: Regina Detox
- Regina: Secure Youth Detox Centre
- Saskatoon: Adult Brief/Social Detox
- Saskatoon: Youth Stabilization, Calder Centre

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- Ile a La Crosse: Ile a La Crosse Integrated Service Centre

Inpatient Services

The next treatment step for some people may be inpatient services. These programs offer activities similar to those of outpatient services, but on a more structured and intensive basis, with the client actually residing at the facility. Programs usually last about four weeks but may run longer depending on individual needs.

Inpatient services are currently offered at the following centres:

- Indian Head: Pine Lodge
- La Ronge: La Ronge Health Centre
- Lloydminster: Slim Thorpe Centre
- Prince Albert: MACSI
- Prince Albert: Pine View Terrace - Youth
- Prince Albert: Saskatchewan Impaired Drivers Treatment Centre
- Regina: MACSI
- Saskatoon: Calder Centre
 - Adult Program
 - Youth Program
- Saskatoon: MACSI

Long-term Residential Services

Some people with substance use problems also require assistance in other life areas. Long-term residential facilities provide services for a more extended period to these individuals. The facilities offer counselling, education and relapse prevention in a safe and supportive environment. Life skills training, which allows clients to further develop and enhance the skills needed for treatment to be successful, is also an important service offered at such facilities.

Long-Term Residential Services are offered at North Battleford: Hopeview.

Safe Driving - Driving Without Impairment Program

All RHAs contract directly with SGI to provide the Safe Driving Program. This program provides addiction screening, assessment and treatment services for people convicted of alcohol-related driving offences. Prior to being eligible to apply for their driver's licence, all drivers convicted of alcohol-related driving offences must be screened for addictions.

If screening results show no chemical dependence, clients are referred to Driving Without Impairment educational courses. If screening indicates dependence, as defined by the World Health Organization, clients are referred to further assessment and rehabilitative services. Clients must satisfactorily complete treatment before becoming eligible to get their driver's licence back.

Addiction screening services are generally available within 150 kilometres of the client's residence. SGI is responsible for licence suspension and reinstatement and for the Driving Without Impairment Program.

The Youth Drug Detoxification and Stabilization Act of Saskatchewan

The Youth Drug Detoxification and Stabilization Act of Saskatchewan, which came into effect April 1, 2006, was developed to provide families and care providers with options for accessing services on behalf of youth who are unwilling or unable to engage in voluntary service for severe substance abuse or substance dependence.

The Act allows for involuntary detoxification and stabilization of youth 12 - 17 years of age in a facility for that purpose through a detoxification order by two physicians for a period up to five days, with the possibility of an extension for a maximum of two additional five-day periods. As well, involuntary detoxification and stabilization

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can occur in the community through a community order for up to 30 days. Involuntary detoxification/stabilization serves as a measure of last resort for parents, legal guardians and judges when it is determined that a youth's substance use has damaged their decision-making ability to the point they present a risk to their own safety or the safety of others.

Information is available on the Ministry of Health website for parents and youth, as well as the form necessary to use the Act.

Rehabilitation Services and Services for People with Disabilities

Physiotherapy

Physiotherapy services are aimed at individuals of all ages who have physical problems related to injury, disease or disability and have a goal to improve mobility and independence. Assessment, intervention, consultation, prevention and education are provided by RHAs in acute care, rehabilitation, long-term care and community settings.

Occupational Therapy

Occupational Therapy services are aimed at individuals of all ages who have physical, mental or cognitive problems related to injury, disease or disability. The goal of occupational therapists is to improve independence and participation in everyday activities. Assessment, intervention, consultation, prevention and education are provided by RHAs in acute care, rehabilitation, long-term care and community settings.

Speech Language Pathology Services

Speech language pathology services are aimed at children and adults who have physical, mental, cognitive, speech and language problems related to injury, disease or disability. The goal is to improve communication by the most appropriate

means including augmentative and alternative communication. Feeding, swallowing and social skills delays and disorders are also addressed. Services are provided by RHAs in acute care, rehabilitation and community settings.

Podiatry Services

Podiatry services provide foot care treatment and education to all ages. It includes foot care service, in-service training to health professionals such as home-based nursing services, and education to target groups such as diabetics. Services are delivered through the RHAs.

Audiology Services

The Hearing Aid Plan provides audiology services such as hearing evaluations, hearing screening, counseling, education and hearing aid fittings to Saskatchewan residents of all ages. Hearing aids and accessories are sold and repaired at reasonable cost. These services are managed by the Regina Qu'Appelle and Saskatoon RHAs.

Cognitive Disabilities Strategy

In 2005-06 the Government of Saskatchewan launched the Cognitive Disabilities Strategy. The strategy is a cross-ministerial initiative that involves Health, Social Services, Office of Disability Issues, Corrections, Public Safety and Policing, Justice and Attorney General, Education, Advanced Education, Employment and Labour, and Liquor and Gaming. The strategy includes a range of initiatives that provide individuals and families affected by cognitive disabilities, including Fetal Alcohol Spectrum Disorder (FASD), with better access to supports, and strengthen prevention and early intervention of FASD. These services are not designed to replace existing services, or develop a new service delivery system, but rather are designed to enhance existing supports, fill service gaps and support front-line service providers.

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This plan is targeted at people with severe cognitive disabilities ages six to 22 years. Under this initiative families can access the services of the cognitive disability consultants located throughout the province to assist with the development of appropriate behavioural support plans for individuals with cognitive disabilities. Flexible funding from the Ministry of Social Services is also available to supplement or extend existing programs that support individuals and the families throughout the province. Services such as respite care, parent aides, and independent living support can be supported through the flexible funding pool.

Cognitive Disabilities Strategy funding has also been used to enhance assessment and diagnosis services throughout the province. In addition, a number of prevention initiatives are also supported through this funding.

Fetal Alcohol Spectrum Disorder

The Government of Saskatchewan provides comprehensive services through the Cognitive Disabilities Strategy to prevent Fetal Alcohol Spectrum Disorder (FASD) and to support individuals who have FASD or other cognitive disabilities. Saskatchewan Health is involved with a number of initiatives related to FASD within the province, and through an inter-provincial/territorial partnership, and information on services and initiatives is available at this link on the Ministry of Health website.

The Ministries of Health and Social Services provide funding to the Saskatchewan Prevention Institute, a non-profit organization that coordinates and administers a provincial FASD Prevention Program. Families with children who have FASD may contact the Saskatchewan Prevention Institute for more information and support: <http://www.preventioninstitute.sk.ca/>

Autism Spectrum Disorder

The Ministry of Health provides global funding to RHAs. The regions are then responsible for the delivery of health programs and services, as well as decisions about priorities and managing care as related to Autism Spectrum Disorders (ASD). They strive to provide the most effective services and supports to residents within their allocated funding. Services are available for all ages and may be provided in outpatient, community and home environments. Services include assessment, consultation, education and ongoing intervention.

In addition, the Ministry of Health provides funding to support:

- Summer programming for individuals presenting ASD.
- Three Autism Interventionists to support eight children each, ages birth-seven years.
- An Autism Consultant in rural southern Saskatchewan.

Funding from the Regina Qu'Appelle RHA and Saskatoon RHA is also provided to the Autism Resource Centre in Regina and Autism Services in Saskatoon. These organizations offer supports to people with autism and their families, such as vocational counselling, summer camps, and social skills development.

The government of Saskatchewan has allocated \$3 annually for ASD services and supports. A Provincial Advisory Committee has been established to provide information on existing services and supports and advise on service gaps and the needs of the ASD population in the province. With the guidance of this committee, the Ministry of Health is developing a Framework for Autism Services in Saskatchewan, and as resources allow, a plan for enhancing

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delivery of services and support to those impacted by ASD. For more information refer to:
<http://www.health.gov.sk.ca/autism>

Acquired Brain Injury (ABI) Partnership Project

Every year in our province, about 2,200 people sustain an acquired brain injury (ABI). Some of the most common causes for this injury are motor vehicle collisions, strokes, falls and aneurysms. About 150 of the people injured each year will need multiple services and lifetime supports.

The Acquired Brain Injury Partnership Project is an innovative partnership between SGI and Saskatchewan Health that is recognized around the world. The partnership develops and implements services and supports for persons with acquired brain injuries and their families.

Our goal is to provide individual and family support to people with acquired brain injury so that they may live successfully in their communities with improved quality of life.

There are currently 36 community-based programs that serve Saskatchewan residents.

Hospital Based Services

Acute Care Services

Categories of regional health authority hospital facilities established under *The Facility Designation Regulations*, include the following:

- Community
- Northern
- District
- Regional
- Provincial

The regulations provide a detailed list of services that each category of facility is required to provide.

Community hospitals are located in 44 communities with populations less than 3,500. They focus on 24/7 emergency services, general medicine, basic lab and x-ray services, and observation, assessment, convalescent and palliative care services.

Northern hospitals are supported in four communities (La Ronge, La Loche, Ile a La Crosse and Stony Rapids) with populations ranging from about 1,500 to 4,500. They provide the same array of services as community hospitals, and they offer special programs to assist northern communities in retaining and recruiting the health providers they need to support a wide range of services. For example, video links to specialists in larger communities are a high priority.

District hospitals are supported in nine communities with populations of about 3,500 to 15,000. Services provided include 24/7 emergency services, general medical services for adults and children, low complexity surgeries, and low-risk deliveries of babies. Family physicians with additional training often provide the services. In addition, co-operative arrangements between district hospitals often exist to provide a support network.

Regional hospitals are located in Prince Albert, Moose Jaw, Lloydminster, North Battleford, Swift Current and Yorkton. All six regional hospitals provide the minimum range of services founding district hospitals and they also provide reliable basic specialty services. Specialty services include internal medicine, general surgery, obstetrics and gynecology. These hospitals will also offer intensive care services.

Each regional hospital will work to maintain a minimum of three physicians with additional training in each discipline and offer on-site radiology services. In addition to the basic specialties, regional hospitals will have the

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ability to provide an even wider range of services including specialty services such as orthopedics (operations of the bone structure) and eye surgery.

Provincial hospitals in Regina and Saskatoon perform 72 per cent of all surgeries in Saskatchewan. Many of their patients come from outside the two cities. People throughout Saskatchewan rely on these hospitals for many specialized services including diagnostic tests such as MRI scans (magnetic resonance imaging) and a wide range of surgeries and specialized medical services such as cancer treatment, heart surgery or intensive care for infants. These are the only hospitals with high enough patient volume to sustain more specialized programs.

Acute care services are those involving active interventions to correct or reduce the impact of an urgent or life-threatening condition. Acute care is generally short term, in contrast to chronic care or long term care. Acute care services generally include obstetric, perinatal, pediatric, psychiatric, medical and surgical services.

Acute care services have traditionally been associated with an in-patient hospital bed. However, some of these services can also be delivered on an out-patient basis, in a community health center, in an emergency room or at home.

Health care is moving toward a more community-based system with more emphasis on consumer choice and making it possible for people to remain in their own homes. Acute care services should be delivered in a manner involving the least possible intervention or loss of independence for the individual. Examples of this shift in delivery of acute care services, which have resulted in fewer hospital admissions and shortened lengths of stay, include early maternity discharge programs, home-based intravenous therapy and palliative care.

There are levels of specialization in acute care services that are commonly defined as primary, secondary and tertiary care. At minimum, all regional health authorities should provide some level of primary care based on the needs of the regional health authority.

Primary care

Primary care is generally the first contact with the health system for individuals and their families when acute care services are required. Physicians, nurses and other health professionals deliver these services. Primary obstetrical, perinatal, psychiatric, pediatric, medical and surgical care is provided to individuals who require diagnosis, treatment, services to assist in improving health, preventing disease, rehabilitation or convalescent services.

Primary care can be delivered at home, in the community, on an out-patient basis, in clinics, in a community health center, in an emergency room and in all hospitals. Primary acute care services should be delivered as close to home as possible.

General practitioners, nurses and a network of health providers can provide referral to other services as required. When necessary, referral is made to a large community, regional or tertiary hospital for individuals having more complex medical problems.

Secondary Care

At the secondary care level, obstetrical, perinatal, pediatric medicine and pediatric surgery, psychiatric, medical and surgical care is provided by general practitioners with training in a particular specialty and also by certified specialists. Other professionals also provide secondary care.

Secondary care is accessible to all residents of the province through resources in their own or a neighboring regional health authority.

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Secondary care in Saskatchewan is provided in some large community hospitals, to a limited extent in regional hospitals, and in tertiary hospitals in Regina and Saskatoon. The services are provided to a catchment area that extends beyond the boundaries of individual regional health authorities.

Diagnostic and treatment services are provided on referral from primary care service levels. When necessary, referral is made to a tertiary hospital for individuals having more complex medical problems that can be treated in a large community hospital or regional hospital setting.

Tertiary Care

Tertiary care refers to sophisticated diagnostic and treatment services which are provided on referral from other hospitals or from physicians and other health care professionals. Because of the specialization in equipment and professional expertise, tertiary care in Saskatchewan is currently only available in Regina and Saskatoon.

Tertiary care is accessible to all residents of the province and is funded directly by the province. Tertiary care services provide service to all residents of the province with specialized needs or medical conditions. Physicians and health professionals are highly specialized and there is extensive interdisciplinary teamwork.

Health Center Services

A health center is a facility or part of a facility that offers a variety of health care services. Based on the needs of the community, these services can include physician, nurse, radiography or laboratory, emergency stabilization, convalescent, palliative, long-term, health assessment and screening, counseling, therapy, referral, health education and promotion, disease and injury prevention, chronic disease management, and disability management services.

Emergency Medical Services

Emergency medical services include assessment, diagnosis and treatment of individuals with unexpected illness or injury. These people may require only minimal care, or significant life support measures. *The Ambulance Act* governs emergency medical services. Each Regional Health Authority is expected to establish basic emergency services outlined below:

- Establish an integrated emergency medical service system within the region to co-ordinate and dispatch the appropriate emergency response agencies in an effective and timely manner. This system must be linked to the provincial network and operated according to legislative and regulatory requirements.
- Establish 24-hour public access through an Emergency Medical Services telephone system.
- Establish an emergency medical response that includes the timely arrival of first responder or stabilization services at the basic life support level, as well as medical transportation to other care facilities as required.
- Establish stabilization and observation areas to manage minor emergencies. These areas should have some diagnostic, resuscitation and stabilization capabilities. This management will be according to established protocols.

Cancer Services

The **Saskatchewan Cancer Agency** (SCA) is the corporate body established under, and regulated by, *The Cancer Agency Act* with responsibility for delivery of programs and services for cancer prevention, early detection, diagnosis, treatment and research in Saskatchewan. The Agency's Board of Directors (established by *The Cancer*

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Agency Act) is accountable to the Minister of Health.

The SCA and Regional Health Authorities have a shared responsibility for ensuring that Saskatchewan residents receive accessible, high quality, co-ordinated cancer treatment. The regions are responsible for diagnostic services, such as CT, MRI and lab tests, as well as for cancer surgery. The SCA is responsible for radiation therapy and chemotherapy. The SCA is also responsible for the approval and funding of cancer drugs. Cancer treatment and support accounts for 80% of the SCA's total expenditures. These collaborative partnerships are essential to the success of the Agency's programs and service delivery.

The SCA sees over 5,000 new patients each year at its two cancer clinics, the Allan Blair Cancer Centre in Regina and the Saskatoon Cancer Centre. In addition, in partnership with the Regional Health Authorities, the Agency coordinates the Community Oncology Program of Saskatchewan (COPS). This program allows patients to receive some chemotherapy treatments in centres close to their home communities, thus reducing the need for traveling great distances and allowing some cancer treatments to be given in a more familiar and emotionally supportive setting. There are 16 designated COPS centres throughout Saskatchewan.

The Blood and Marrow Transplant Program, offered in partnership with the Saskatoon Health Region, provides assessment and treatment for patients with aggressive or advanced blood and other system cancers and diseases. Both autologous (patient's own) and allogeneic (related and unrelated donor) transplants are offered as treatment options.

The agency is also responsible for operating two province-wide prevention and early detection programs: the Screening Program for Breast

Cancer and the Prevention Program for Cervical Cancer.

- Introduced in 1990, the Screening Program for Breast Cancer (SPBC) has one of the highest participation rates in Canada. Each year, the program provides mammograms to approximately 35,000 women between the ages of 50 and 69 through two permanent sites, five regional sites, and a mobile bus that travels to rural and remote areas.
- The Prevention Program for Cervical Cancer (PPCC) was launched in 2004 with the goal of increasing participation in regular Pap testing and tracking follow-up of unsatisfactory and abnormal test results. The program sends recall/reminder letters and results notices to women between the ages of 18 and 69.

<http://www.saskcancer.ca/>

Primary Health Care Services

Primary health care involves providing services to individuals, families, communities and populations and involves a proactive approach to preventing health problems before they occur and ensuring better management and follow-up once a health problem has occurred. Since many of the factors that affect health occur outside of the health system, primary health care proactively works with intersectoral partners and community groups to address broader community needs.

A system of primary health care engages the community in addressing broader community needs, and strengthens the linkage to agencies and organizations such as social services, the educational system, recreational facilities and groups, police, municipal governments and other local community organizations that directly impact the determinants.

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Primary health care encompasses preventive, promotive, curative, supportive and rehabilitative services. Primary health care serves as the umbrella for many basic health programs and services, which include home care, public health, mental health, addiction and drug abuse services, primary medical care, long term care, emergency services, end of life care, laboratory and X-ray services and therapy services.

Primary health care serves to enhance people's physical and mental well-being, while addressing the emotional and spiritual needs of individuals. To meet people's basic health needs, health care professionals work together as an interdisciplinary team to deliver a range of services using a holistic approach. For example, the public health nurse visits schools and new moms; the family doctor sees patients in his or her office; the nutritionist provides education on diets for people with diabetes; and the home care worker provides personal care in people's homes.

For more information on Saskatchewan's Action Plan for Primary Health Care, refer to the following Internet source: <http://www.health.gov.sk.ca/action-plan-for-primary-health>.

Ensuring Quality Services

Quality health care is about delivering the best possible care and achieving the best possible outcomes for people every time they deal with the health care system or use its services. Essentially, it means doing the best possible job with the resources available.

Quality of Care Co-ordinator Services

Regional health authorities are responsible for providing an information and referral network for residents/individuals who need information about health and available health-related programs and services. The health system has quality of care coordinators available who can answer questions or concerns about access to quality health services, rights and options, and collect feedback to recommend changes and improvements to enhance the quality of health services.

More information about quality of care and a list of quality care co-ordinators in Saskatchewan can be found at <http://www.health.gov.sk.ca/quality-of-care>.

PART FOUR ACCOUNTABILITY

The underlying principle of the accountability framework is the prudent and ethical use of public funds. The Accountability Document sets out the Ministry's expectations of regions for the funding that is provided. It contains both high-level organizational (governance and directional) expectations and program-specific expectations. This approach is consistent with the governance relationship that has been established between government and regions.

While the relationship sets out that the board is responsible to ensure all expectations are achieved with the resources provided, they in turn can and do discharge to RHA management the responsibility as they see fit to provide programs and services. While the board needs to understand the expectations associated with the programs and services it provides, the board does not need to involve itself in the day-to day details of the operation. The board, however, needs to know that management is achieving the expectations set out, and that management is taking action where results are not being achieved.

One element of the accountability framework is *The Regional Health Services Act*, which was proclaimed on August 1, 2002. The legislation establishes the foundation of the accountability framework. The framework also addresses:

- Roles and responsibilities of the Minister(s) and the Authority;
- Roles and responsibilities of various other partners in the system, such as Health Care Organizations providing services on behalf of an RHA;
- Strategic and operational planning, and linkages to the annual budget development process; and
- Performance management, reporting, and the implications of meeting or not meeting established expectations.

In order to continue to foster an effective and efficient health care delivery system where regional health authorities are a key delivery agent, there is a need to strengthen the understanding of accountability. Roles and responsibilities of the respective parties must be understood and the processes to achieve greater accountability must be clear.

Processes that reflect the accountability relationship are in place, including enhanced joint planning and operational planning linked to the government budget development process.

More information on accountability and other policy tools can be found at <http://www.health.gov.sk.ca/rha-policy-procedures-manual>

APPENDIX 1

SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The following legislation/regulations are assigned to the Ministry of Health. Other Ministries have legislation that may affect the delivery of health services. Copies of Acts and Regulations currently in effect can be found on the Internet at <http://www.qp.gov.sk.ca/>. A comprehensive list of all Saskatchewan Ministries can be found on the government web site at <http://www.gov.sk.ca/>.

The Ambulance Act

- Regulates emergency medical service personnel and the licensing and operation of ambulance services.
- Regulations under this Act:
 - o The Ambulance Regulations

The Cancer Agency Act

- Sets out funding relationship between Saskatchewan Health and the Saskatchewan Cancer Agency and its responsibility to provide cancer related services. Replaces the former legislation, *The Cancer Foundation Act* (repealed January 2, 2007).
- Regulations under this Act:
 - o General Regulations Under The Cancer Control Act

The Change of Names Act, 1995

- Administers the registration of legal name changes for residents of Saskatchewan
- Regulations under this Act:
 - o The Change of Names Regulations

The Chiropody Profession Act (Repealed February 2, 2007)

- Repealed and replaced The Podiatry Act of February 2, 2007. Regulates the podiatry profession.

The Chiropractic Act, 1994

- Regulates the chiropractic profession.

The Dental Care Act

- Governs the Ministry's former dental program and currently allows for the subsidy program for children receiving dental care in northern Saskatchewan.
- Regulations under this Act:
 - o The Dental Care Beneficiary Regulations

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Dental Disciplines Act

- Omnibus statute regulates the six dental professions of dentistry, dental hygiene, dental therapists, dental assistants, denturists and dental technicians.

The Department of Health Act

- Provides the legal authority for the Minister of Health to make expenditures, undertake research, create committees, operate laboratories and conduct other activities for the benefit of the health system.
- Regulations under this Act:
 - The Health Professions Training Bursary Regulations
 - The Drug Plan Medical Supplies Regulations
 - The Chiropody Services Regulations
 - The Community Therapy Regulations
 - The Chronic Endstage Renal Disease Regulations, 1973
 - The Disabled Children's Prosthetic Appliances Regulations
 - The Saskatchewan Aids to Independent Living Regulations, 1976
 - The Saskatchewan Assistance Plan Supplementary Health Benefits Regulations

The Dietitians Act

- Regulates dietitians in the province.

The Emergency Medical Aid Act

- Provides protection from liability for physicians, nurses and others when they are providing, in good faith, emergency care outside a hospital or place with adequate facilities or equipment.

The Fetal Alcohol Syndrome Awareness Day Act

- Establishes that September 9th of each year is designated as Fetal Alcohol syndrome Awareness Day

The Health Districts Act

- Most of the provisions within this Act have been repealed with the proclamation of most sections of The Regional Health Services Act. Provisions have been incorporated with regard to payments by amalgamated corporations to municipalities

The Health Facilities Licensing Act

- Governs the establishment and regulation of health facilities such as non-hospital surgical clinics
- Regulations under this Act:
 - The Health Facilities Licensing Regulations

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Health Information Protection Act

- Protects personal health information in the health system in Saskatchewan and establishes a common set of rules that emphasizes the protection of privacy, while ensuring that information is available to provide efficient health services
- Regulations under this Act:
 - The Health Information Protection Regulations

The Health Quality Council Act

- Governs the Health Quality Council, which is an independent, knowledgeable voice that provides objective, timely, evidence-based information and advice for achieving the best possible health care using available resources within the province

The Hearing Aid Act

- Governed the Ministry-run health aid and audiology program. However, since the regional health authorities not run the program, it no longer has any application
- Regulations under this Act:
 - The Hearing Aid Regulations, 1977

The Hearing Aid Sales and Services Act

- Regulates private businesses involved in the testing of hearing and selling of hearing aids
- Regulations under this Act:
 - The Hearing Aid Sales and Services Regulations

The Hospital Standards Act

- All of the Act, except the Regulations, has been repealed. Remaining regulations provide standards to be met for services delivered in hospitals. *The Regional Health Services Act* contains more broad information regarding standards and services.
- Regulations under this Act:
 - The Hospital Standards Regulations

The Housing and Special-care Homes Act

- All of the Act, except the Regulations, has been repealed. *The Regional Health Services Act* addresses the establishment, licensing and funding of special-care homes (long term care facilities) in the province.
- Regulations under this Act:
 - The Adult and Youth Group Homes Regulations
 - The Special-care Homes Rates Regulations
 - The Housing and Special-care Homes Regulations

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Human Tissue Gift Act

- Regulates organ donations in the province

The Licensed Practical Nurses Act, 2000

- Regulates licensed practical nurses in the province

The Medical and Hospitalization Tax Repeal Act

- Ensures premiums cannot be levied under The Saskatchewan Hospitalization Act or The Saskatchewan Medical Care Insurance Act

The Medical Laboratory Technologists Act

- Regulates the profession of medical laboratory technology

The Medical Profession Act, 1981

- Regulates the profession of physicians and surgeons
- Regulations under this Act:
 - o The Health Professions Training Bursary Regulations

The Medical Radiation Technologists Act

- Regulates the profession of medical radiation technology, but will be repealed once The Medical Radiation Technologists Act, 2006, is proclaimed in force.
- Regulations under this Act:
 - o The Radiation Health and Safety Regulations, 2005

The Medical Radiation Technologists Act, 2006

- Regulates the profession of medical radiation technology. Once proclaimed, this Act will repeal and replace The Medical Radiation Technologists Act.

The Mental Health Services Act

- Regulates the provision of mental health services in the province and the protection of persons with mental disorders.
- Regulations under this Act:
 - o The Mental Health Services Regulations

The Midwifery Act

- Regulates midwives in the province
- Regulations under this Act:
 - o The Midwifery Regulations

The Mutual Medical and Hospital Benefit Associations Act

- Sets out the authority for community clinics to operate in Saskatchewan

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Naturopathy Act

- Regulates naturopathic physicians in Saskatchewan

The Occupational Therapists Act, 1997

- Regulates the profession of occupational therapy
- Regulations under this Act:
 - o The Community Therapy Regulations

The Ophthalmic Dispersers Act

- Regulates opticians in the province

The Optometry Act, 1985

- Regulates the profession of optometry

The Personal Care Homes Act

- Regulates the establishment, size and standards of services of personal care homes.
- Regulations under this Act:
 - o The Personal Care Homes Regulations, 1996

The Pharmacy Act, 1996

- Regulates pharmacists and pharmacies in the province.
- Regulations under this Act:
 - o The Drug Schedules Regulations, 1997

The Physical Therapists Act, 1998

- Regulates the profession of physical therapy.

The Prescription Drugs Act

- Provides authority for the provincial drug plan and the collection of data for all drugs dispensed within the province.
- Regulations under this Act:
 - o The Prescription Drugs Regulations, 1993

The Prostate Cancer Awareness Month Act

- Raises awareness of prostate cancer in Saskatchewan.

The Psychologists Act, 1997

- Regulates psychologists in Saskatchewan

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Public Health Act

- Sections 85-88 of the Act remain in force in order that governing boards of some facilities can continue to operate.

The Public Health Act, 1994

- Provides authority for the establishment of public health standards, such as public health inspection of food services.
- Regulations under this Act:
 - The Public Eating Establishment Regulations
 - The Bakeshop Regulations, 1986
 - The Plumbing and Drainage Regulations
 - The Health Hazard Regulations
 - The Disease Control Regulations
 - The Public Health Forms Regulations
 - The Public Accommodation Regulations
 - The Milk Pasteurization Regulations
 - The Public Health Officers Regulations
 - The Swimming Pool Regulations, 1999
 - The Public Health Appeals Regulations
 - The Sanitation Regulations
 - The Shoreland Pollution Control Regulations, 1976

The Regional Health Services Act

- This Act addresses the governance and accountability of the regional health authorities, establishes standards for the operation of various health programs and will repeal The Health Districts Act, The Hospital Standards Act and The Housing and Special-care Homes Act
- Regulations under this Act:
 - The Regional Health Services Administration Regulations
 - The Surgical Registry Regulations
 - The Critical Incident Regulations
 - The Attending Health Professionals Regulations
 - The Practitioner Staff Appeals Regulations
 - The Facility Designation Regulations
 - The Health Centres (Hospital Standards Adoption) Regulations

The Registered Nurses Act, 1988

- Regulates registered nurses in Saskatchewan

The Registered Psychiatric Nurses Act

- Regulates the profession of registered psychiatric nursing

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Residential Services Act

- Governs the establishment and regulation of facilities that provide certain residential services. Saskatchewan corrections and Public Safety, Saskatchewan community Resources and Saskatchewan Health administer this Act
- Regulations under this Act:
 - The Residential-service Facilities Regulations
 - The Private-service Homes Regulations

The Respiratory Therapists Act (not yet proclaimed)

- Regulates the profession of respiratory therapists

The Saskatchewan Health Research Foundation Act

- Governs the Saskatchewan Health Research Foundation, which designs, implements, manages and evaluates funding programs to support a balanced array of health research in the province of Saskatchewan

The Saskatchewan Medical Care Insurance Act

- Provides the authority for the province's medical care insurance program and payments to physicians
- Regulations under this Act:
 - The Insured Services (Physicians) Access Regulations, 1987
 - The Medical Care Insurance Beneficiary and Administration Regulations
 - The Insured Services (Physicians) Payment Schedule Review Regulations, 1989
 - The Optometric Services Payment Negotiation Regulations, 1988
 - The Medical Care Insurance Peer Review Regulations
 - The Saskatchewan Medical Care Insurance Payment Regulations, 1994
 - The Saskatchewan Medical Association Dues Check-off Regulations, 1996
 - The Chiropractic Services Payment Negotiation Regulations

The Senior Citizens' Heritage Program Act

- This Act provides the authority for an obsolete low-income senior citizens program

The Speech-Language Pathologists and Audiologists Act

- Regulates speech-language pathologists and audiologists in the province

The Tobacco Control Act

- The purpose of this Act is to control the sale and use of tobacco and tobacco-related products in an effort to reduce tobacco use, especially among Saskatchewan young people and to protect young people from exposure to second-hand smoke
- Regulations under this Act:
 - The Tobacco Control Regulations

APPENDIX 1: SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

The Vital Statistics Act, 1995

- Administers the registration of births, deaths, marriages, adoptions and divorces in the Province of Saskatchewan
- Regulations under this Act:
 - The Vital Statistics Regulations

The White Cane Act

- Sets out the province's responsibilities with respect to services for the visually impaired

The Youth Drug Detoxification and Stabilization Act

- Provides authority to detain youth who are suffering from severe drug addiction/abuse
- Regulations under this Act:
 - The Youth Drug Detoxification and Stabilization Regulations
 - The Youth Drug Detoxification and Stabilization (Prescribed Substances) Regulations

APPENDIX 1

SUMMARY OF SASKATCHEWAN HEALTH LEGISLATION

A list of the most common acronyms was developed through consultation with the Governance Committee. Often there is more than one definition for an acronym, so this list attempts to identify the most common definition.

| | |
|----------------|---|
| A&S | Admission and Separation |
| ABI | Acquired Brain Injury |
| AC | Ambulatory Care |
| AC | Accreditation Canada (Former Canadian Council on Health Services Accreditation) |
| ACP | Advanced Care Paramedic |
| ADAAC | Alcohol and Drug Abuse Advisory Council |
| ADC | Average Daily Census |
| ADM | Assistant Deputy Minister |
| ADR | Adverse Drug Reaction |
| ADS | Alcohol and Drug Services |
| ADT | Admission Discharge Transfer |
| AED | Automatic External Defibrillator |
| AESB | Acute and Emergency Services Branch |
| AHA | Athabasca Health Authority |
| ALOS | Average Length of Stay |
| ALS | Advanced Life Support |
| AMI | Adjusted Monthly Income |
| AP | Accounts Payable |
| AR | Accounts Receivable |
| BLS | Basic Life Support |
| BMI | Body Mass Index |
| BPG | Best Practice Guidelines |
| CAT | Computerized Axial Tomography |
| CBA | Collective Bargaining Agreement |
| CBO | Community Based Organizations |
| CBS | Canadian Blood Services |
| CCB | Community Care Branch |
| CCN | Critical Care Nurse |
| CCS | Canadian Cancer Society |

APPENDIX 2: SUMMARY OF COMMON ACRONYMS

| | |
|--------------|---|
| CCU | Cardiac Care unit |
| CD | Communicable Disease |
| CDA | Canadian Diabetic Association |
| CDC | Center for Disease Control |
| CDSS | College of Dental Surgeons of Saskatchewan |
| CFIA | Canadian Food Inspection Agency |
| CFNU | Canadian Federation of Nurses' Unions |
| CFO | Chief Financial Officer |
| CHA | Canadian Healthcare Association |
| CHA | Canada Health Act |
| CHAS | Catholic Health Association of Saskatchewan |
| CHCA | Canadian Home Care Association |
| CHI | Canada Health Infoway |
| CHSRF | Canadian Health Services Research Foundation |
| CIDPC | Centre for Infectious Diseases Prevention & control |
| CIHI | Canadian Institute of Health Information |
| CIHR | Canadian Institute of Health Research |
| CIO | Chief Information Officer |
| CLXT | Combined Laboratory and X-ray Technology |
| CMA | Canadian Medical Association |
| CMHA | Canadian Mental Health Association |
| CMO | Chief Medical Officer |
| CNA | Canadian Nurses Association |
| COPSS | College of Physicians and Surgeons of Saskatchewan |
| CPA | Canadian Physiotherapy Association |
| CPHA | Canadian Public Health Association |
| CPSI | Canadian Patient Safety Institute |
| CPSS | College of Physicians and Surgeons of Saskatchewan |
| CQI | Continuous Quality Improvement |
| CUPE | Canadian Union of Public Employees |
| CVA | Central Vehicle Agency |
| DARC | Data Access Review Committee |
| DHE | Dental Health Educator |
| DIN | Drug Identification Number |
| DIP | Disability Income Plan |
| DM | Deputy Minister |

APPENDIX 2: SUMMARY OF COMMON ACRONYMS

| | |
|---------------------|--|
| DOC | Director of Care (head of the nursing department) |
| DON | Director of Nursing (also used as nursing department head) |
| EAP/EFAP | Employee Assistance Program or Employee Family Assistance Plan |
| ECD | Early Childhood Development |
| ECIP | Early Childhood Intervention Program |
| ED | Emergency Department |
| EHC | Extended Health coverage |
| EHD | Extended Health and Dental |
| EHR | Electronic Health Record |
| ELOS | Expected Length of Stay |
| EMO | Emergency Measures Organization |
| EMPDS | Emergency Medical Priority Dispatch System |
| EMS | Emergency Medical Services |
| EMT | Emergency Medical Technician |
| EMT-A | Emergency Medical Technician - Advanced |
| EMT-P | Emergency Medical Technician - Paramedic |
| EPO | Emergency Planning Officer |
| EPP | Emergency Preparedness Planning |
| ER | Emergency Room |
| ERAP | Emergency Response Assistance Program |
| ESRD | End Stage Renal Disease |
| FAS | Fetal Alcohol Syndrome |
| FASD | Fetal Alcohol Spectrum Disorder |
| FDA | Food and Drug Administration |
| FFS | Fee For Service |
| FOI/FOIP | Freedom of Information and Protection of Privacy Act |
| FPT or F/P/T | Federal/Provincial/Territorial |
| FSIN | Federation of Saskatchewan Indian Nations |
| FTE | Full Time Equivalent |
| FY | Fiscal Year |
| GIS | Guaranteed Income Supplement |
| GP | General Practitioner |
| HIPA | Health Information Protection Act |
| HIROC | Healthcare Insurance Reciprocal of Canada |
| HISC | Health Information Solutions Centre |
| HQC | Health Quality Council |

APPENDIX 2: SUMMARY OF COMMON ACRONYMS

| | |
|------------------------|--|
| HSAS | Health Sciences Association of Saskatchewan |
| HSMR | Hospital Standardized Mortality Rate |
| HSN | Health Services Number |
| ICT | Information Communication Technology |
| ICU | Intensive Care Unit |
| IMR | Infant Mortality Rate |
| IT | Information Technology - computer related departments/equipment |
| JJE | Joint Job Evaluation |
| LAFOI or LAFOIP | Local Authority of Freedom of Information and Protection of Privacy Act |
| LOS | Length of Stay |
| LPN | Licensed Practical Nurse |
| LTC | Long-term Care |
| LTD | Long Term Disability |
| MDS | Minimum Data Set |
| MDS-RUGs | This is the Resource Utilization Groups - the tool used for classification of Long Term Care residents |
| MHO | Medical Health Officer |
| MLT | Medical Lab Technologists |
| MOU | Memorandum of Understanding |
| MRI | Magnetic Resonance Imaging |
| MRTs | Medical Radiation Technologists |
| MSB | Medical Services Branch |
| NEPS | Nursing Education Program of Saskatchewan |
| NICU | Neonatal Intensive Care Unit |
| NP | Nurse Practitioner |
| Obs/Gyn | Obstetrics/Gynecology |
| OC | Order in Council |
| OH&S | Occupational Health & Safety |
| OIPC | Office of the Information and Privacy Commissioner (Saskatchewan) |
| OOP | Out of Province |
| OOS | Out of Scope |
| OR | Operating Room |
| OT | Overtime |
| PAIRS | Professional Association of Interns & Residents of Saskatchewan |
| PCH | Personal Care Home |

APPENDIX 2: SUMMARY OF COMMON ACRONYMS

| | |
|----------------|--|
| PCN | Primary Care Nurse |
| PHAC | Public Health Agency of Canada |
| PHB | Population Health Branch |
| PHC | Primary Health Care |
| PHI | Public Health Inspector |
| PHN | Public Health Nurse |
| PQCC | Provincial Quality of Care Coordinator |
| PT | Physical therapist/Therapy |
| QA | Quality Assurance |
| QI | Quality Improvement |
| QWP | Quality Workplace |
| RFP | Request for Proposal |
| RHA | Regional Health Authority |
| RIW | Resource Intensity Weighting |
| RM | Risk Management |
| RN | Registered Nurse |
| RN (NP) | Registered Nurse (Nurse Practitioner) |
| RPN | Registered Psychiatric Nurse |
| RPNAS | Registered Psychiatric Nurses Association of Saskatchewan |
| RT | Respiratory Therapist |
| RTW | Return to Work |
| Rx | Prescription |
| SAHO | Saskatchewan Association of Health Organizations |
| SAHSN | Saskatchewan Academic of Health Sciences Network |
| SAIL | Saskatchewan Aids to Independent Living |
| SALPN | Saskatchewan Association of Licensed Practical Nurses |
| SALS | Saskatchewan Assisted Living Services |
| SAP | Social Assistance Plan |
| SART | Saskatchewan Association of Respiratory Therapists |
| SASLP | Saskatchewan Association of Speech & Language Pathologists |
| SCA | Saskatchewan Cancer Agency or Special Care Aid |
| SCU | Special Care Unit |
| SEIU | Service Employees International Union |
| SGEU | Saskatchewan Government Employees Union |
| SHEPP | Saskatchewan Healthcare Employees Pension Plan |
| SHIN | Saskatchewan Health Information Network |

APPENDIX 2: SUMMARY OF COMMON ACRONYMS

| | |
|--------------|--|
| SHP | Supplementary Health Plan |
| SIAST | Saskatchewan Institute of Applied Science and Technology |
| SMA | Saskatchewan Medical Association |
| SPDP | Saskatchewan Prescription Drug Plan |
| SPNA | Saskatchewan Psychiatric Nurses' Association |
| SRNA | Saskatchewan Registered Nurses' Association |
| SSCN | Saskatchewan Surgical Care Network |
| STD | Sexually Transmitted Diseases |
| SUN | Saskatchewan Union of Nurses |
| SWADD | System Wide Admission & Discharge Department |
| SWOT | Strengths, Weaknesses, Opportunities and Threats |
| TLR | Transfer, Lifting and Repositioning |
| TQM | Total Quality Management |
| VSB | Vital Statistics Branch |
| WCB | Workers' Compensation Board |
| WHO | World Health Organization |
| YTD | Year to Date |

APPENDIX 3

OVERVIEW OF THE MINISTRY OF HEALTH

The Ministry of Health has a mandate to support Saskatchewan residents in achieving their best possible health and well-being. Saskatchewan Health establishes policy direction, sets and monitors standards, provides funding, supports regional health authorities, and ensures the provision of essential and appropriate services. A list of current branches, an overview of their functions and key contact people can be found on the Internet at <http://www.health.gov.sk.ca/ministry-overview>.

The Ministry of Health also operates a HealthLine. The HealthLine is a 24-hour confidential health information and advice resource available by telephone (1-877-800-0002) or on the Internet at <http://www.health.gov.sk.ca/healthline-online>.

In addition, 911 emergency services are available to Saskatchewan residents in both urban and rural areas.

APPENDIX 4

SELF-REGULATING HEALTH PROFESSIONAL ASSOCIATIONS

There are 23 health-related professions in Saskatchewan with the authority to regulate their profession.

Licensing and regulating certain health professions assures accountability by:

- ensuring that the health professional is qualified to practise
- setting standards of practice and a code of ethics that the health professional must follow
- requiring the health professional to be registered and licensed to use the title of the profession and perform certain services
- ensuring complaints about the professional are investigated and disciplinary action taken if necessary.

List of Self-regulating Health Professional Associations

Chiropractor's Association of Saskatchewan

College of Dental Surgeons of Saskatchewan

College of Physicians and Surgeons of Saskatchewan

Dental Technicians Association of Saskatchewan

Denturist Society of Saskatchewan

Registered Psychiatric Nurses Association of Saskatchewan

Saskatchewan Association of Licensed Practical Nurses

Saskatchewan Association of Medical Radiation Technologists

Saskatchewan Association of Optometrists

Saskatchewan Association of Social Workers

Saskatchewan Association of Speech/Language Pathologists and Audiologists

Saskatchewan College of Midwives

Saskatchewan College of Pharmacists

Saskatchewan College of Physical Therapists

Saskatchewan College of Podiatrists

Saskatchewan College of Psychologists

Saskatchewan Dental Assistants Association

Saskatchewan Dental Hygienists' Association

Saskatchewan Dental Therapists Association

APPENDIX 4: SELF-REGULATING HEALTH PROFESSIONAL ASSOCIATIONS

Saskatchewan Dietitians Association

Saskatchewan Ophthalmic Dispensers Association

Saskatchewan Registered Nurses' Association

Saskatchewan Society of Medical Laboratory Technologists

Saskatchewan Society of Occupational Therapists

MODEL GENERAL BYLAWS



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

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Introduction

The *Model General Bylaws* have been developed based on a review of general bylaws used in other jurisdictions and the Crown Investment Corporation's general bylaws. These bylaws include concepts from the best practices in corporate governance.

It is important to note that the points listed in these bylaws are not limiting; in particular, evolving governance best practices contribute to how a board should conduct itself and carry out the organization's affairs.

The purpose of the *Model General Bylaws* is to outline the core procedural points that guide and govern the affairs of the organization. The bylaws are meant to clarify the topics of procedures, roles and responsibilities, and mandate of the regional health authorities and the Saskatchewan Cancer Agency.

Legislative Framework

The Minister of Health is able to issue guidelines that regional health authorities and the Saskatchewan Cancer Agency must follow. Section 42 of *The Regional Health Services Act* requires regional health authorities and the Saskatchewan Cancer Agency to make general bylaws and policies in respect to:

- (a) its internal organization and proceedings; and
- (b) the general conduct and management of its affairs and activities.

Section 44 provides that any general bylaws made pursuant to section 42 cannot be inconsistent with any guidelines or directions approved by the Minister and must be submitted to the Minister for approval. The effect of subsection 44(1) is that if these models are provided to the regional health authorities as "guidelines" for the purposes of section 44 with the direction that they be adopted in each region, each region will have in place a model, uniform bylaw developed with input from physicians, region and with the benefit of legal counsel and advice.

PART ONE I.

Title

1 These are the General Bylaws (Bylaws) for the _____ Regional Health Authority.

Or

1 These are the General Bylaws (Bylaws) for the Saskatchewan Cancer Agency.

Purpose

2 These Bylaws are developed and enacted in order to:

- (a) provide an administrative structure for the governance of the affairs of the board;
- (b) promote the provision of quality health care services; and
- (c) improve the health standards of the residents of the health region through the provision of quality health services;

Or

- (c) provide for the planning, corporation, delivery and evaluation of cancer care services throughout Saskatchewan.

Definitions

3 In these Bylaws, the following definitions apply:

- (a) “Act” means *The Regional Health Services Act* for regional health authorities;

Or

- (a) “Act” means *The Cancer Agency Act* for the Saskatchewan Cancer Agency;
- (b) “ancillary groups” means any volunteer group that has been established to further the objectives of the board;
- (c) “board” means the board established pursuant to the Act responsible for administrating the affairs and conducting the business of the regional health authority;

Or

- (c) “board” means the board established pursuant to the Act responsible for administrating the affairs and conducting the business of the Saskatchewan Cancer Agency;
- (d) “chief executive officer” means the person employed by the board as chief executive officer within the meaning of the Act, responsible to the board for the general conduct and management of the affairs and activities provided by the board at its facilities or delivered through its programs and services;
- (e) “facilities” means an addiction treatment centre, health centre, hospital, residential treatment centre and special-care home within the meaning of *The Facility Designation Regulations*;

PART I.

- (f) “health region” means the _____ Health Region established pursuant to section 13 of Act;
- (g) “member” means a member of the board appointed in accordance with the Act;
- (h) “Minister” means a member of the Executive Council to whom for the time being the administration of the Act is assigned;
- (i) “officer” means an employee of the board;
- (j) “policies and procedures” means those policies and procedures that have been enacted by the board or by an officer of the board with the authority to enact policies and procedures on behalf of the board;
- (k) “practitioner staff” means those individuals whose applications have been approved by the board of the regional health authority and whose privileges have been delineated by the board;
- (l) “quorum” means a majority of the members of the board;
- (m) “regulations” mean the regulations made by the Lieutenant Governor in Council pursuant to the Act.

Interpretation

- 4 (1) In these Bylaws, unless the context otherwise requires, words or phrases defined in the Act, as amended, shall have the meaning defined therein.
- (2) The headings, sections and subsections in these Bylaws are inserted for convenience or reference only, and shall not affect the construction or interpretation of the provisions of these Bylaws.
- (3) In these Bylaws, unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and references to person(s) shall include firms, regional health authorities and health care organizations.

PART II.

ORGANIZATION OF THE BOARD

Powers of the Board

- 5** (1) The affairs of the corporation shall be conducted by the board. In conducting such affairs, the board shall have all the powers prescribed in the Act and the regulations and any other applicable legislation.

(2) The board shall determine the policies and procedures and assume responsibility for guiding the affairs of the corporation.

Responsibilities of the Board

- 6** (1) The board shall be responsible for the governance and management of the affairs of the corporation.

(2) The board shall be responsible, without limitation, as follows:
 - (a) establish and review on a regular basis the mission, objectives, values and strategic plan in relation to the provision, within available resources, of appropriate programs and services in order to meet the needs of the residents in the health region and in Saskatchewan;
 - (b) establish, on an annual basis, goals, objectives and values to ensure the effective and efficient governance of the corporation;
 - (c) establish procedures for monitoring compliance with the requirements of The Regional Health Services Act and regulations, The Cancer Agency Act and other applicable legislation;
 - (d) establish policies and procedures which will provide the framework for the management and operation of the corporation;
 - (e) establish the selection process for the engagement of a chief executive officer and to hire the chief executive officer in accordance with the process;
 - (f) annually conduct the chief executive officer's formal performance evaluation, review and approve his or her compensation and set his or her goals and objectives for the coming year;
 - (g) delegate responsibility and related authority to the chief executive officer for the management and operation of the corporation and require accountability to the board;
 - (h) at any time to revoke or suspend the appointment of the chief executive officer;
 - (i) for regional health authorities, to appoint and reappoint physicians, dentists and chiropractors and to delineate their respective privileges after considering the recommendations of the Practitioner Advisory Committee, the board's resources and whether there is a need for such services in the community;
 - (j) ensure mechanisms and policies are in place to provide a high quality of care for patients in the health region;

Or

- (j) ensure mechanisms and policies are in place to provide high quality cancer care services to the residents of Saskatchewan;

PART II. ORGANIZATION OF THE BOARD

- (k) ensure that quality assurance, risk management and utilization review methods are established for the regular evaluation of the quality of care of patients in the health region, and that all board services are regularly evaluated in relation to generally accepted standards and require accountability on a regular basis;

Or

- (k) ensure that quality assurance, risk management and utilization review methods are established for the regular evaluation of the quality of cancer care services for the residents of Saskatchewan, and that all board services are regularly evaluated in relation to generally accepted standards and require accountability on a regular basis;
- (l) approve the annual budget for the corporation;
- (m) evaluate its own performance in relation to its responsibilities and periodically review and revise governance policies, processes and structures as appropriate;
- (n) work collaboratively with other community agencies and institutions in meeting the health care needs of the residents in the health region;

Or

- (n) work collaboratively with the regional health authorities and the health care corporations in meeting the cancer care service needs of the residents of Saskatchewan; and
- (o) ensure that the chief executive officer establishes an appropriate succession plan for both management and practitioner staff members.

Responsibilities of Board Members

- 7 (1) Members of the board shall be appointed to the board in accordance with the Act and the regulations.
- (2) Every member, in exercising his powers and in performing his duties, shall:
 - (a) act honestly and in good faith with a view to the best interests of the corporation; and
 - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and comply with the Act and the regulations and any other applicable legislation.
- (3) In contributing to the achievement of the responsibilities of the board as a whole, each member shall:
 - (a) be diligent and adhere to the board's mission, vision and values;
 - (b) develop broad knowledge about the roles and responsibilities of members;
 - (c) work positively, co-operatively and respectfully as a member of the team with other members and with management and staff;
 - (d) respect and abide by board decisions;
 - (e) read all of the material for discussion in advance and participate actively and effectively and board and committee meetings;

PART II. ORGANIZATION OF THE BOARD

- (f) keep informed about matters relating to the board, the community served and other health care services provided in the health region;

Or

- (f) keep informed about matters relating to the board, the regional health authorities, health care corporations and other health care services in providing cancer care services to the residents of Saskatchewan;
- (g) participate in the initial orientation as a new member and in ongoing professional development;
- (h) participate in the annual evaluation of overall board effectiveness and represent the board, when requested;
- (i) participate in the evaluation of the board, chairperson, chief executive officer and individual members as required;
- (j) represent the interest of the whole health region rather than the specific interests of any constituency, association or corporation;

Or

- (j) represent the interest of the residents of Saskatchewan rather than the specific interest of any individual or corporation;
- (k) compliance with all applicable legislation/regulations and the Code of Conduct and Ethics;
- (l) avoid real and perceived conflicts of interest;
- (m) maintain appropriate confidentiality with respect to corporate matters;
- (n) disclose to the chairperson any information the member might obtain that could be considered material to the board's business or operation;
- (o) respect the responsibilities delegated by the board to the chief executive officer, avoiding interference with their duties but insisting upon accountability and reporting mechanisms for assessing organizational performance; and
- (p) regularly attend board and committee meetings.

- (4) A member may resign his position on the board by submitting a letter of resignation to the Minister. The resignation shall be effective on the date the letter of resignation is received by the Minister.

Responsibilities of the Board Chairperson and Vice-Chairperson

- 8** (1) The chairperson and vice-chairperson shall be designated in accordance with the Act.
- (2) The powers and duties of the chairperson include, but are not limited to, the following:
 - (a) chairing meetings, ensuring that its processes are effective and providing leadership in board development;
 - (b) ensuring that processes are in place to monitor the evolution of legislation and practices that change the duties and responsibilities of the members of the board;

PART II. ORGANIZATION OF THE BOARD

- (c) setting board meeting schedules, work plans and agendas in consultation with the chief executive officer and the secretary;
 - (d) monitoring meeting attendance;
 - (e) recommending the chairperson and membership of individual committees, and working with committee chairperson to coordinate committee work plans and meeting schedules;
 - (f) calling for votes to confirm consensus decisions or to decide issues;
 - (g) attending board committee meetings where appropriate;
 - (h) counselling collectively and individually with board members, ensuring full utilization of individual capacities and optimum performance of the board and each of its committees;
 - (i) working with management by:
 - (i) building an open working relationship between chief executive officer/senior management and the board;
 - (ii) ensuring that communications with management support the early identification of policy and organizational issues that should be addressed by the board; and
 - (iii) representing the stakeholders and the board to management.
 - (j) ensuring the corporate approach to board governance and effective board performance;
 - (k) being responsible for regular board, chairperson, committee and member evaluations (sharing responsibility with the Governance/Nomination Committee if the board has such a committee);
 - (l) managing conflicts of interest should they arise;
 - (m) building and maintaining a sound working relationship with the Ministers of Health and other government representatives;
 - (n) reporting regularly to the board issues that are relevant to their governance responsibilities; and
 - (o) serving as the board's spokesperson (or designate).
- (3) The vice-chairperson shall have all the powers and perform all the duties of the chairperson in the absence or disability of the chairperson, together with such other duties as are usually incidental to such a position or as may be assigned by the board from time to time.
- (4) In the absence of the chairperson or vice-chairperson, the members of the board who are present at a meeting and who constitute a quorum may designate one of their numbers to act as the chairperson, and that member may exercise all the powers and must perform all the duties of the chairperson.

Appointment of the Chief Executive Officer

- 9 (1) The board shall appoint a chief executive officer who is responsible, in accordance with the directions of the board, for the general management and conduct of the affairs of the corporation.
- (2) The board shall appoint the chief executive officer in accordance with its approved selection process.

PART II. ORGANIZATION OF THE BOARD

(3) Subject to the Act, the board shall, on appointing a chief executive officer, set the conditions of employment and review them annually.

(4) The board may at any time revoke or suspend the appointment of the chief executive officer.

Responsibilities of the Chief Executive Officer

10 (1) The chief executive officer shall:

- (a) be responsible for developing and implementing/operationalizing the board's strategic plan;
- (b) be responsible to the board for its management in accordance with its policies and direction;
- (c) ensure financial performance and appropriate systems and structures are in place for the effective management of the corporation;
- (d) demonstrate integrity and ethical leadership in support of the board's responsibility with respect to development and periodical review of the board's mission and objectives;
- (e) recruit and select management team members, train and monitor senior management team, and assess the performance of other management staff so as to ensure a good management team in place;
- (f) promote and support the board's values, culture and philosophy;
- (g) be responsible for the board's allocation of the valuable capital, human and technical resources;
- (h) represent the board externally to the community, government, media and other corporations and agencies;
- (i) ensure compliance with all legislative and regulatory requirements;
- (k) identify, monitor and manage risks and report results; and
- (l) attend board and committee meetings as required.

Appointment and Responsibilities of the Board Secretary

11 (1) The board shall appoint a secretary who shall:

- (a) maintain the minutes of all meetings of the board and any committees thereof;
- (b) maintain all correspondence to and from the board;
- (c) maintain custody of all minutes, records and documents of the board;
- (d) maintain the corporate seal of the board;
- (e) give such notice, as required in these Bylaws, of all meetings of the board and any committee thereof;
- (f) maintain an attendance record of those attending all meetings of the board and any committee thereof;
- (g) perform such other duties as ordinarily pertain to this office and as the board may from time to time direct; and
- (h) not be a member of the board.

PART III.

MEETINGS OF THE BOARD

Regular Meetings of the Board

- 12 (1) Meetings of the board pursuant to *The Regional Health Services Act* and *The Cancer Agency Act* and the bylaws must be held in public. Meeting notices for the public must be published throughout the health region and Saskatchewan respectively one week prior to the meeting.
- (2) Regular meetings of the board shall be held at such intervals, times, places and means, including by conference call, as the board may think fit. Members who participate in a meeting by conference call will be considered as in attendance.
- (3) The chairperson shall determine the order of business to be followed and otherwise regulate the meetings.
- (4) Other representatives of management and/or parties external to the board may be invited to attend any meeting of the board or part thereof as necessary. Non-members may be asked to withdraw for all or any part of any meeting.
- (5) Unless otherwise specified herein, no business shall be transacted at a meeting of the board unless a quorum of the board is present.
- (6) Unless otherwise specified herein, all decisions of the board shall be by majority vote of the members at any meeting where a quorum is present. A majority of the quorum may exercise all the powers of the board notwithstanding a vacancy among the members.
- (7) Each member shall have one vote.
- (8) There shall be no voting by proxy.
- (9) All motions duly moved and seconded at any meeting of the board or any of the committees thereof shall be decided by a majority of votes.
- (10) In the case of an equality of votes, the decision on a motion shall be made according to the rules of order established by the board from time to time.
- (11) All votes at any regular meeting of the board shall be taken by a show of hands unless any member present requests a ballot.
- (12) Subject to clause 11(1)(e), the secretary shall ensure that notice of the time and place of any regular meeting, the agenda for such meeting and all necessary resource material are provided to the members in the manner established by the board, not less than _____ days prior to the meeting.
- (13) Notice of a meeting shall not be necessary where:
- (a) all the members entitled to vote at the meeting are present in person and approve of the transaction of business considered at the meeting; or

PART III. MEETINGS OF THE BOARD

(b) all the members entitled to vote at such meeting who are not present waive in writing, either before or after the meeting, notice of the meeting and consent in writing to the business transacted at such meeting. Such waiver and consent shall be attached to the minutes of the meeting.

(14) The following order of business shall be observed at regular board meetings:

- Call to Order
- Public Presentations
- Declaration of Conflict of Interest
- Approval of the Agenda
- Approval of the Minutes
- Business Arising
- Reports
- Informational Items
- Correspondence
- Other Business
- Notice of Motions
- Date and Time for Next Meeting
- Motion for Adjournment

Special Meetings of the Board

13 (1) The chairperson may call a special meeting of the board at any time and the secretary shall, upon direction of the chairperson, convene such a meeting.

(2) The chairperson may call a special meeting of the board on written request from any _____ members of the board and the secretary shall convene such meeting within seventy-two (72) hours (three calendar days) of receipt of such written request.

(3) The secretary shall ensure that notice of the time and place of any special meeting, the agenda for such meeting and all necessary resource material are provided to the members in the manner established by the board, not less than forty-eight (48) hours prior to the meeting, unless such material is not available. Phone, fax, email or personal delivery shall be used to give notice to each member.

(4) The following order of business shall be observed at all special meetings:

- (a) reading of the Notice of Meeting;
- (b) establishment of quorum;
- (c) transaction of the business for which the meeting was called; and
- (d) adjournment.

(5) Where all members of the board are present at a special meeting and unanimously agree, business other than the special business included in the agenda for such meeting may be discussed and transacted.

PART III. MEETINGS OF THE BOARD

Rules of Order

- 14** (1) Any questions of procedure at or for any meetings of the board or of any committee, which have not been provided for in this Bylaw shall be determined by the chairperson or the chairperson of the committee as the case may be, in accordance with rules of order as adopted by resolution of the board.

PART IV. BOARD COMMITTEES

Establishment, Membership and Responsibilities of Board Committees

OPTION A

- 15 (1) The board shall establish such standing committees and ad hoc committees as required to advise the board.
- (2) The terms of reference, duties and composition of each standing and ad hoc committee shall be recorded in the rules and regulations, policies and procedures or minutes of the board.
- (3) The board shall appoint a chairperson of each standing committee and each ad hoc committee.
- (4) The chairperson of each standing or ad hoc committee shall submit the minutes, reports, and any recommendations of the standing or ad hoc committee on a regular basis, or as directed by the board, and, at the request of the board, be present to discuss all or part of any minutes, reports or recommendations of the standing or ad hoc committee.

OPTION B

Establishment of Standing Committees

- 15 (1) The board shall establish the following standing committees:
- (a) Audit Committee;
 - (b) Finance Committee;
 - (c) Governance/Nomination Committee;
 - (d) Human Resource Committee;
 - (e) Quality Assurance Committee; and
 - (f) Strategic Planning Committee.
- (2) Only members of the board may be members of the standing committees.
- (3) Notwithstanding clause 15(2), officers of the board and/or other persons may assist the committee but may not have voting privileges.
- (4) The chairperson and membership of committees are recommended by the chairperson of the board and confirmed by the board as a whole.
- (5) With the prior approval of the chairperson, committees should have the authority to engage consulting advice and independent counsel.

Audit Committee

- 16 (1) The Audit Committee shall consist of a minimum of three members of the board.

PART IV. BOARD COMMITTEES

- (2) The Audit Committee shall meet at least four (4) times a year and as necessary.
- (3) The chairperson of the Audit Committee may call a meeting of the Audit Committee as he or she determines necessary.
- (4) Meetings of the Audit Committee are to be scheduled to take place on a regular basis, with opportunities for the external auditor and senior management to meet separately with the independent members of the Audit Committee.
- (5) The Audit Committee shall meet with the external auditor at least twice a year, at the request of the auditor and as required by the Audit Committee or the board.
- (6) At each meeting of the Audit Committee at which the auditors are present, the Audit Committee shall hold an in-camera session with management excluded. The exclusion may extend to the chief executive officer.
- (7) The board is responsible for engaging the external auditor(s) and the external auditor(s) should report to the Audit Committee. The Audit Committee should meet with the external and/or internal auditor(s) without management present. Any work to be performed by the external auditor(s) in addition to audit duties should be pre-approved by the board on the recommendation of the Audit Committee.
- (8) The Audit Committee has the authority to engage independent counsel and other advisors, with prior approval from the chairperson of the board. The Audit Committee may be combined with the Finance Committee to better fit the board's special needs and circumstances.
- (9) Review and approve the financial information that will be provided to the provincial government and other stakeholders/partners and ensure that this information accurately represents the corporation's business activities.
- (10) Review and approve the systems of risk management and the internal controls established by management and the board.
- (11) The Audit Committee shall perform the following functions:
 - (a) with respect to audit planning and preparation:
 - (i) review, with the external auditors, the proposed scope of the current year's audit;
 - (ii) review and approve the auditor's engagement letter including the audit fee and expenses;
 - (iii) assess whether appropriate assistance is being provided to the auditors by the corporation's staff; and
 - (iv) review control weaknesses detected in the prior year's audit and determine whether all practical steps have been taken to overcome them.
 - (b) with respect to policies for financial operations and systems of internal control:
 - (i) inquire about changes in the financial systems and control systems during the year;
 - (ii) review the integrity and effectiveness of policies regarding the financial operations, systems

PART IV. BOARD COMMITTEES

- of internal control and reporting mechanisms and ensure they are in accordance with generally accepted accounting principles and practices;
- (iii) inquire into the major financial risks faced by the corporation, and the appropriateness of related controls to minimize their potential impact; and
 - (iv) review the procedures for establishing management's remuneration and benefits, and for approving their expense reports;
- (c) with respect to annual financial statements:
- (i) receive and review the unaudited and audited financial statements of the board whether interim or year end and report to the board prior to the board's approval thereof,
 - (ii) review annual audited financial statements, in conjunction with the report of the external auditor, and obtain an explanation from management of all significant variances between comparative reporting periods;
 - (iii) recommend approval of the financial statements to the board;
 - (iv) inquire about changes in professional standards or regulatory requirements; and
 - (v) review the entire annual report for consistency with the financial statements;
- (d) with respect to audit results:
- (i) review the report of the external auditors on the annual financial statements;
 - (ii) review the external auditor's post-audit or management letter which may document weaknesses in the accounting system or in the internal control systems and which contain recommendations of the external auditor, and management's response and subsequent follow-up to any identified weaknesses;
 - (iii) meet privately with the external auditors (without the presence of management) with regard to the adequacy of the internal accounting controls and similar matters, and review management responses to ascertain whether there are concerns that should be brought to the Audit Committee's attention; and
 - (iv) review any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management, or situations where management seeks a second opinion on a significant accounting issue.
- (e) with respect to auditor's performance and appointment:
- (i) review the factors that might impair, or be perceived to impair, the independence of the external auditors.
 - (ii) take, or recommend that the board take, appropriate action to ensure the independence of the external auditor;
 - (iii) monitor and evaluate the performance of the external auditor;

PART IV. BOARD COMMITTEES

- (iv) meet privately with senior management (without the external auditors being present) to ensure that management has no concerns about the conduct of the audit; and
 - (v) annually, recommend to the board the appointment of a firm of chartered accountants as the board's external auditors and any change of external auditors. Consider from time to time and no less frequently than every five (5) years, the engagement of a different external auditor on such terms and conditions as may meet statutory and other requirements for the audit of the board.
- (f) with respect to duty to report:
- (i) prepare a report to the board discussing the actions it has taken and the assistance the Audit Committee has had in fulfilling its responsibilities; and
 - (ii) prepare a report to members of the board describing the Audit Committee activities during the past reporting period.

Finance Committee

- 17** (1) The Finance Committee shall consist of a minimum of three members of the board.
- (2) The chief executive officer and the chief financial officer shall attend meetings of the Finance Committee.
- (3) The Finance Committee shall:
- (a) examine the budget methodology and recommend the operating budget for approval by the board;
 - (b) review planned expenditures and recommend annual capital budgets for approval by the board;
 - (c) recommend investment guidelines and receive annual information on investment performance;
 - (d) review the banking arrangements of the board from time-to-time and recommend revisions to the Banking Resolution from time to time;
 - (e) annually review and recommend to the board the types and amounts of insurance to be carried by the board to ensure appropriate coverage;
 - (f) advise the board with regard to donations, bequests and endowments;
 - (g) inform and advise the board on financial matters as requested; and
 - (h) ensure the board receives timely, meaningful reports on its financial situation including up-to-date forecasts of year-end results.

Governance/Nomination Committee

- 18** (1) The Governance/Nomination Committee shall consist of a minimum of three members of the board.
- (2) The chairperson of the board shall serve as an ex-officio member.

PART IV. BOARD COMMITTEES

- (3) The Governance/Nomination Committee shall:
- (a) formulate and recommend governance principles and policies and oversee all matters of corporate governance for the board;
 - (b) regularly review the governance structure of the board based on the best practices in corporate governance;
 - (c) ensure appropriate board orientation and professional development;
 - (d) review the relevance of individual committees and committee terms of reference;
 - (e) manage evaluations of board, committee, chairperson and member performance;
 - (f) articulate roles and responsibilities for the board, its committees, the chairperson and individual members and recommend to the board any needed changes;
 - (g) prepare and update a board manual containing all documents relevant to the board's governance structure;
 - (h) provide oversight to the Code of Conduct and Ethics;
 - (i) review the skills and experience required by the board;
 - (j) develop member selection criteria for board membership as a whole and specific vacancies;
 - (k) identify and evaluate potential candidates to be recommended to the board for appointment or reappointment;
 - (l) identify candidates for recommendation to Saskatchewan Health; and
 - (m) develop a plan and process for the orderly long-term renewal of its membership.

Human Resources Committee

- 19** (1) The Human Resources Committee shall consist of a minimum of three members of the board.
- (2) The Human Resources Committee shall:
- (a) oversee the evaluation and compensation of the chief executive officer;
 - (b) develop chief executive officer performance objectives together with the chief executive officer, the chairperson and the board;
 - (c) ensure the corporation has a sound plan for management succession; and
 - (d) ensure that the corporation has appropriate human resources and compensation policies.

Quality Assurance Committee

- 20** (1) The Quality Assurance Committee shall consist of a minimum of three members of the board.
- (2) The Quality Assurance Committee shall:
- (a) monitor reports and provide advice to the board on matters related to planning, programming and policies that affect users of health care services;

PART IV. BOARD COMMITTEES

- (b) consider and recommend to the board definitions, policies, standards, process and outcome benchmarks, or other means by which the overall performance of health care services and programs can be measured;
- (c) review reports and consider recommendations from management and relevant committees regarding the quality of patient care programs and services and the results of other quality evaluation activities, including changes that may be required as a result of government policy;
- (d) recommend to the board policies for risk management, monitor the processes used to identify and control health care liability and review relevant reports;
- (e) review and recommend for approval board policies as required relating to the ethical dimensions of the health care, teaching and research activities;
- (f) monitor health care service process directed at ensuring that patient care programs and services and the various quality improvement and quality control activities are in compliance with the standards of the Canadian Council on Health Services Accreditation; and
- (g) assess on a regular basis health care total quality management related activities and results and report to the board.

Strategic Planning Committee

21 (1) The Strategic Planning Committee shall consist of a minimum of three members of the board.

(2) The Strategic Planning Committee shall:

- (a) establish and recommend to the board a strategic plan for the development of health care services and shall evaluate, update and make recommendations on the strategic plan to the board at least annually;
- (b) participate in the ongoing assessment of the health care needs of the health region, communities and surrounding area;

Or

- (b) participate in the ongoing assessment of the cancer care services throughout Saskatchewan;
- (c) assess the health region's role in meeting the needs of the community and surrounding area;

Or

- (d) assess the board's role in meeting the needs of the residents of Saskatchewan;
- (e) develop, evaluate, update and make recommendations to the board on the corporation's mission and role;
- (f) develop, evaluate, update and make recommendations to the board on an implementation plan which supports the key strategies for achieving its mission and role;
- (g) develop and at least annually evaluate, update and make recommendations to the board on a short-term operating plan;

PART IV. BOARD COMMITTEES

- (h) develop and at least annually evaluate, update and make recommendations to the board on a human resources plan which includes a profile of the present medical, dental, midwifery, extended class nursing and staff as well as projections of future medical, dental, midwifery, extended class nursing staff and staff requirements;
- (i) establish priorities for future capital expenditures and resources required to implement the strategic plan; and
- (j) perform such other duties as may be requested by the board.

Committee of the Whole

22(1) Should the board determine that it will not establish specific standing committees to carry out the functions of the Audit, Finance, Governance/Nomination, Human Resources, Quality Assurance and Strategic Planning committees, the board may act as a Committee of the Whole and carry out these responsibilities.

Ad Hoc Committees

- 23 (1) From time to time, the board may establish time-limited committees to deal with specific matters, which are a priority at a particular time.
- (2) Ad Hoc Committees shall consist of a minimum of three members of the board.
- (3) Senior management and outside consultants/experts may attend committee meetings, but are not entitled to a vote on any matter considered by the committee members.

Special Committees of the Board

- 24 (1) The board may, at any meeting, appoint any special committee and appoint the chairperson and the members of the special committee.
- (2) The board shall prescribe the terms of reference for any special committee.
- (3) The board may by resolution dissolve any special committee at any time.

Procedures for Standing and Special Committee Meetings

- 25 (1) Only members of a Standing Committee, Special Committee or Ad Hoc Committee of the board may attend meetings of such committees.
- (2) Notwithstanding subsection 22(2), a Standing Committee, Special Committee or Ad Hoc Committee of the board, may by resolution, approve that individuals such as external legal counsel, presenters and board staff be permitted to attend the meeting, but may be asked to leave the meeting before a vote is taken.
- (3) Meetings of Standing Committees, Special Committees or Ad Hoc Committees of the board shall be held at the call of the chairperson, the chairperson of the committees of the board or at the request of any _____ members of the committee of the board.

PART IV. BOARD COMMITTEES

(4) Business arising at any meeting of a Standing Committee, Special Committee or Ad hoc Committee of the board shall be decided by a majority of votes, provided that:

- (a) votes shall be taken by a show of hands, in which case:
 - (i) the chairperson shall have a vote; and
 - (ii) if there is an equality of votes, the chairperson shall not exercise a second vote in order to break a tie.
- (b) notwithstanding clause 25(4)(a), votes shall be taken by written ballot if so requested by any voting member present in which case:
 - (i) the chairperson shall have a vote; and
 - (ii) if there is an equality of votes, the motion is lost.

(5) Minutes shall be recorded for all meetings of Standing Committees, Special Committees and Ad Hoc Committees of the board.

(6) A quorum for any meeting of a Standing Committee, Special Committee or Ad Hoc Committee of the board shall be a majority of the members of the Special Committee, Special Committee, or Ad Hoc Committee entitled to vote.

PART V. GENERAL PROCEDURES

Signing Officers

26 (1) The chairperson or vice-chairperson or chief executive officer jointly shall sign on behalf of the board and affix the Corporate Seal to all contracts, agreements, conveyances, mortgages, or other documents, as may be required by law or as authorized by the board.

Financial Matters

27 (1) The board may from time to time by resolution appoint any officer, member or other person on behalf of the board either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments.

(2) The board shall cause “true” accounts to be kept of the sums of money received and disbursed by the board, the matters in respect of which said receipts and disbursements take place, all sales and purchases by the board, any assets and liabilities of the board, and all other transactions affecting the financial position of the board.

(3) The books and accounts shall be kept at the office of the board or at such other place as the board may designate.

(4) The board shall appoint an auditor who shall conduct an audit of the financial statements of the board on an annual basis. The auditor shall hold office for a one-year term. The board shall fix the remuneration of the auditor.

(5) The board’s financial statements shall be received and approved by the board.

Confidentiality

28 (1) No information concerning the board or any patient, client or resident of a health region or in Saskatchewan shall be divulged by a board member, or any officer of the board, except in accordance with the law.

Conflict of Interest

29 (1) Members are expected to disclose to the board any actual or potential conflict of interest, which may exist or be thought to exist as soon as they become aware of the issue.

(2) Members are expected to take any necessary and reasonable measure to try to resolve the conflict and must comply with the provisions of *The Interpretation Act, 1995*.

(3) If a conflict or potential conflict situation exists, it is required that the conflicted member absent himself from the meeting while the board discusses the matter and not vote on the matter, unless the other members who do not have a material/personal or representation group interest in the matter have

PART V. GENERAL PROCEDURES

passed a resolution that states that those members are satisfied that the interest should not disqualify the conflicted member from voting or being present.

Corporate Seal

- 30** The Corporate Seal shall not be affixed to any instrument except by authority of a resolution of the board and in the presence of a member and the chief executive officer or such other person as the members may appoint for the purpose, and that member and the chief executive officer or other person as aforesaid shall sign every instrument to which the Corporate Seal is so affixed in their presence.

PART VI.

ASSOCIATIONS OF THE BOARD

Voluntary Associations

- 31** (1) The board may sponsor the formation of a voluntary association(s) as it deems advisable.
- (2) Such voluntary associations shall be conducted with the advice of the board for the general welfare and benefit of the board and the residents of the health region and Saskatchewan.
- (3) Each such voluntary association shall elect its own officers and formulate its own bylaws, but at all times the bylaws, objects and activities of each such voluntary association shall be subject to review and approval by the board.
- (4) The board may determine a mechanism to provide for representation by the voluntary association(s) on the board.
- (5) Each unincorporated voluntary association shall have its financial affairs reviewed by an auditor for purposes of assuring reasonable internal control.
- (6) The auditor for the board may be the auditor for the voluntary association(s) under this section.

Ancillary Groups

- 32** (1) The use of the board name, the name of any agency thereof, or the corporate logo or trademark by an ancillary group requires board approval.

PART VII.

ADOPTION AND APPROVAL

Amendments

- 33** (1) the board may propose Amendments to these Bylaws at any time. Notice of such Amendment shall contain the content and rationale of the proposed Amendment.
- (2) The resolution proposing an Amendment to these Bylaws shall require the approval of at least _____% of the board members. If passed, the same shall come into effect upon approval of the Minister.
- (3) These Bylaws and any Amendments shall replace any previous Bylaws and shall become effective when confirmed by the board and approved by the Minister.

Adoption of the Bylaws

- 34** (1) The Bylaws of the _____ Regional Health Authority are adopted and shall replace any General Bylaw previously enacted by the _____ or its predecessor and shall become effective when adopted by the board and approved by the Minister of Health for the Province of Saskatchewan.
- 34** (1) The Bylaws of the Saskatchewan Cancer Agency are adopted and shall replace any General Bylaw previously enacted by the Saskatchewan Cancer Agency or its predecessor and shall become effective when adopted by the board and approved by the Minister of Health for the Province of Saskatchewan.

PART VII. ADOPTION AND APPROVAL

Approval

35 ADOPTED by the _____ Regional Health Authority the _____ day of _____, 2006.

Or

35 ADOPTED by the Saskatchewan Cancer Agency the _____ day of _____, 2006.

Insert Name
Chairperson

Insert Name
Secretary

APPROVED by the Minister of Health the _____ day of _____, 2006.

Len Taylor
Minister of Health



APPENDIX A

CODE OF CONDUCT AND ETHICS

In Saskatchewan, board members have legal obligations set out in *The Interpretation Act, 1995*. They are seen as fiduciaries to the corporation and thus are expected to demonstrate high standards of personal and professional conduct to maintain public confidence in their behaviours or actions. These standards include the need to avoid a conflict of interest.

A general responsibility of the members is to act in the best interest of their board. To discharge this general responsibility, it is suggested that the board have in place a code of conduct and ethics for all the members to follow.

For the purpose of this guide, the term “code of conduct and ethics” is used in a broad sense that addresses the following issues:

- standards of behaviour, including fiduciary responsibilities and duty of care;
- conflict of interest, including both material interest and representation group interest;
- the obligation to report to the board any breach of the code of conduct and ethics, or any illegal or unethical behaviour;
- the protection and proper use of the board’s assets and opportunities;
- confidentiality of information obtained through the member’s role; and
- compliance with legislation and regulations.

Fiduciary Responsibilities and Duty of Care

Best practices in members’ code of conduct and actual experiences of the board indicate that the following are common elements regarding members’ standard behaviour:

- members owe a fiduciary duty as well as a duty of care to the board;
- a fiduciary duty requires members to be loyal and to act honestly, in good faith and in the best interests of the board;
- members are bound by their fiduciary duty to the board to maintain the confidentiality of information received by them in their capacity as members;
- information that is confidential, proprietary to the board must not be divulged to anyone other than persons who are authorized to receive the information;
- the duty of care to the board requires that members exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
- members are responsible to ensure that systems are in place to provide members with the information they need to make informed decisions, and that board decisions are sound and made pursuant to proper procedures.

Conflict of Interest

The term “conflict of interest” includes both material interest and representation group interest. A conflict of material interest usually exists for members who use their positions on the board to benefit themselves, their related persons (such as families or relatives), or their friends. A conflict of representation group

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interest often exists when members act for their representation or interest group even though such action conflicts with their duties to the board as a whole.

Legislation provides that no member of the board shall directly or indirectly receive any profit or personal financial benefit from the position of member other than the remuneration and reimbursement for expenses that is authorized pursuant to the Act.

Even if no actual conflict of interest exists, board members need to be aware of the perception of such a conflict. The suggestion of any conflict of interest could generate an appearance of interfering with the board's ability to make judgements in the best interest of the organization.

There are several situations that could give rise to a conflict of interest in the board context. The following are examples of the type of conduct and situations that can lead to a conflict of interest:

- influencing the board to lease equipment from a business owned by the member's family;
- influencing the board to allocate funds to an affiliate or hospital where the member's family or relative works or is involved;
- influencing the board to make all its travel arrangements through a travel agency owned by a family member or relative of the member; and
- influencing or participating in a decision of the board that will directly or indirectly result in the member's own financial gain.

Common actions that help to avoid a conflict of interest are as follows:

- board members must act in accordance with *The Interpretation Act, 1995*, *The Regional Health Services Act* and *The Cancer Agency Act* and avoid any conflict of material interest, or the appearance of a conflict, by placing the interests of the board ahead of their own personal interests, or the interests of their associates (as defined in *The Interpretation Act, 1995*) and related persons; and
- although members may be appointed to the board as a representative of an interest group or region, they should hold the same duties to the board even when those duties conflict with the wishes of the interest group or region.

Disclosure

Full disclosure enables members to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty can arise. With respect to disclosure, the following principles should be followed:

- a member should, immediately upon becoming aware of a potential conflict of interest situation, disclose the conflict (preferably in writing) to the chairperson; (This requirement exists even if the member does not become aware of the conflict until after a transaction is complete).
- if a member is in doubt whether a situation involves a conflict, the member should immediately seek the advice of the chairperson;
- if appropriate, the board may wish to seek advice from their legal counsel;
- unless a member is otherwise directed, a member should immediately take steps to resolve the conflict or remove the suspicion that it exists;
- if a member is concerned that another member is in a conflict of interest situation, the member

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should immediately bring his or her concern to the other member's attention and request that the conflict be declared. If the other member refuses to declare the conflict, the member should immediately bring his or her concern to the attention of the chairperson. If there is a concern with the chairperson, the issue should be referred to the Governance/Nomination Committee or equivalent committee that deals with governance issues;

- a member should disclose the nature and extent of any conflict at the first meeting of the board after which the facts leading to the conflict have come to that member's attention. After disclosing the conflict, the member:
 - o should not take part in the discussion of the matter or vote on any questions in respect of the matter (although the member may be counted in the quorum present at the meeting);
 - o if the meeting is open to the public, may remain in the room, but shall not take part in that portion of the meeting during which the matter giving rise to the conflict is under discussion, and shall leave the room prior to any vote on the matter giving rise to the conflict;
 - o should, if the meeting is not open to the public, immediately leave the meeting and not return until all discussion and voting with respect to the matter giving rise to the conflict is completed; and
 - o should not attempt, in any way or at any time, to influence the discussion or the voting of the board on any question relating to the matter giving rise to the conflict.

Outside Business Interests

With respect to outside business interests, the following principles should be followed:

- members should declare possible conflicting outside business activities at the time of appointment. Notwithstanding any outside activities, members are required to act in the best interest of the board;
- no member should hold a significant financial interest, either directly or through a relative or associate, or hold or accept a position as an officer or member in an organization having a material relationship with the board, where by virtue of his or her position in the corporation, the member could in any way benefit the other organization by influencing the purchasing, selling or other decisions of the board, unless that interest has been fully disclosed in writing to the board;
- a "significant financial interest" in this context is any interest substantial enough that decisions of the board could result in a personal gain for the member;
- these restrictions apply equally to interests in companies that may compete with the board in all of its areas of activity; and
- members who have been selected to the board as a representative of a stakeholder group or area of the health region or Saskatchewan owe the same duties and loyalty to the board and when their duties conflict with the wishes of the stakeholder or residents of the area of the health region and Saskatchewan, their primary duty remains to act in the best interests of the board.

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Confidential Information

With respect to confidential information, the following principles should be followed:

- confidential information includes proprietary technical, business, financial, legal, or any other information, which the board treats as confidential;
- members should not, either during or following the termination of an appointment, disclose such information to any outside person unless authorized;
- similarly, members should never disclose or use confidential information gained by virtue of their association with the board for personal gain, or to benefit friends, relatives or associates; and
- if in doubt about what is considered confidential, a member should seek guidance from the chairperson or the chief executive officer.

Outside Employment or Association

With respect to outside employment or association, the following principle should be followed:

- a member who accepts a position with any organization that could lead to a conflict of interest or situation prejudicial to the board interests, should discuss the implications of accepting such a position with the chairperson recognizing that acceptance of such a position might require the member's resignation from the board.

Entertainment, Gifts and Favours

With respect to entertainment, gifts and favours, the following principle should be followed:

- it is essential to fair business practices that all those who associate with the board, as suppliers, contractors or members, have access to the board on equal terms;
- members and members of their immediate families should not accept entertainment, gifts or favours that create or appear to create a favoured position for doing business with the board;
- any firm offering entertainment, gifts or favours as inducement should be asked to cease;
- similarly, no member should offer or solicit gifts or favours in order to secure preferential treatment for him or herself, or the board;
- gifts and entertainment should only be accepted or offered by a member in the normal exchanges common to established business relationships for the board;
- an exchange of such gifts should create no sense of obligation on the part of the member;
- inappropriate gifts received by a member should be returned to the donor; and
- full and immediate disclosure to the chairperson of borderline cases will always be taken as good-faith compliance with these standards.

Responsibility

With respect to responsibility, the following principle should be followed:

- the board should behave, and be perceived, as an ethical board;
- each member should adhere to the minimum standards described herein and in the board's code of conduct, and to the standards set out in applicable policies, guidelines or legislation;

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- integrity, honesty, and trust are essential elements of the board's success. Any member who knows or suspects a breach of the board's code of conduct and ethics has a responsibility to report it to the chairperson; and
- to demonstrate determination and commitment, each member should review and declare compliance with the board's code of conduct and ethics annually.

Breach

A member found to have breached his/her duty by violating the minimum standards set out in this document may be liable to censure or a recommendation for dismissal to the Minister of Health.

Where to Seek Clarification

Normally, the chairperson or the Governance/Nomination Committee chairperson is responsible for providing guidance on any item concerning standards of ethical behaviour.

Ethical Guidelines

The ethical guidelines discussed below help to prevent members from getting into a conflict of interest. In fulfilling their duties and obligations as board members, they should adhere to the following guidelines:

- members should act at all times in full compliance with all applicable legislation and regulations;
- a member should not use his/her position with the board to pursue or advance the member's personal interests, the interests of his/her family member or relatives, the member's associate, corporation/corporation, union or partnership, or the interests of a person to whom the member owes an obligation;
- a member should not directly or indirectly benefit from a transaction with the board over which a member can influence decisions made by the board;
- every member should avoid any situation in which there is, or may appear to be, potential conflict which could interfere with the member's judgment in making decisions in the board's best interest;
- after members cease to serve on an board, they must refrain from taking improper advantage of their previous membership;
- every board should have a policy governing the circumstances in which a member is authorized to speak publicly, where such public comment could be perceived as an official act or representation of the board; and
- unless the policy states otherwise, the chairperson should act as the spokesperson for the board. Members should not speak publicly where their comments are likely to bring the board into disrepute or adversely affect its services/programs/activities.

MODEL PRACTITIONER STAFF BYLAWS



Saskatchewan
Ministry of
Health

Building Better Governance
ACHIEVING EXCELLENCE IN HEALTHCARE

These bylaws are currently under revisions and will be made available in a near future.

