



Governance Manual

Date Introduced: October 2012

Last Updated: May 2021

JBHF Governance Manual.....	4
Introduction.....	4
Framework for Good Governance	4
Components: Principles, Policies and Practices	5
1. Stakeholder Relationships.....	5
2. Board Composition	5
3. President Function	5
4. Board Accountability	5
5. Board Function.....	5
6. Fiduciary Stewardship.....	5
7. Risk & Asset Management	5
8. Strategic Leadership.....	5
9. Board Performance Systems	5
Principles and Policies	7
1. Stakeholder Relationships Principle and Policies	8
1.1 Stakeholder Relationship Management Policy	8
1.2 Memorandum of Agreement Policy.....	8
1.3 Governance Disclosure Policy	8
2. Board Composition Principle and Policies	9
2.1 Director Skills Inventory Policy	9
2.2 Board Chair Policy.....	9
2.3 Board Recruitment, Election & Succession Policy.....	9
2.4 Board Composition Policy	10
2.5 Board of Directors Terms of Office Policy.....	10
3. President Function Principle and Policies.....	11
3.1 Delegation of Authority to President Policy	11
3.2 President Performance Management System Policy.....	11
3.3 President Succession Strategy Policy	11
3.4 President Compensation Policy	12
4. Board Accountability Principle and Policies	13
4.1 Governance Policy	13

4.2	Conflict of Interest Policy	13
4.3	Director and Officer Liability and Insurance Policy	14
4.4	Full Board Assessment Policy	14
4.5	Individual Board Director Role, Expectations & Assessment Policy	14
5.	Board Function Principle and Policies	15
5.1	Decision Making Policy	15
5.2	Monitoring Policy	15
6.	Fiduciary Principle and Policies	16
6.1	Financial Results Policy	16
6.2	Audit Function Policy	16
6.3	Corporate Bylaws Policy	17
7.	Risk and Asset Management Principle and Policies	18
7.1	Organizational Standards Policy	18
7.2	Code of Conduct Policy	18
7.3	Principal Risks Policy	18
7.4	Third Party Risk and Resource Management Policy	18
8.	Strategic Leadership Principle and Policies	20
8.1	Strategic Plan Development and Renewal Policy	20
8.2	Operating Plan and Budget Policy	20
9.	Board Performance Systems Principle and Policies	21
9.1	Governance Renewal Policy	21
9.2	Board (Re) Orientation/Education and Training Policy	22
9.3	Board Member Development System Policy	22
9.4	Board Meeting and Communication Policy	22
9.5	Corporate Officer Roles, Board Chair Assessment, & Board Meeting Assessment Policy	22
9.6	Committee Structure Policy	23
9.7	Committee Assessment Policy	23
9.8	Committee Chair Role and Assessment Policy	23
9.9	Director Contravention of Policy, Policy	23
9.10	Board Mentorship Program	23

JBHF Governance Manual

Introduction

This JBHF Governance Manual is a guide to the Board of JBHF in its governance of the organization on behalf of its stakeholders. It is based on a Good Governance Framework which provides the architecture for the manual.

Framework for Good Governance

A high performance Board knows the importance of understanding and committing to good governance. As a means to understand, communicate, manage and measure effectiveness as a Board and an organization JBHF has adopted this simple governance "framework" that encompasses the many dimensions of good governance. The framework defines the purpose and interrelationship of the fundamental components of governance. It also acts as a lens through which the Board can pursue and monitor its compliance and performance responsibilities. The framework also acknowledges the related yet distinct roles played by the Board as a whole, each member and the Board structure in living good governance every day.

Components: Principles, Policies and Practices

The manual is divided into nine sections which reflect each of the nine components of the good governance framework. Within each of the nine components there are principles, policies and practices for each one. The principles and policies will remain relatively consistent. The practices themselves will be adjusted as new good governance practices evolve in foundation governance.

Components

1. Stakeholder Relationships

Defines the nature of the key stakeholder relationships; their influence, impact and expectations of the organization and its Board

2. Board Composition

Defines how and why the Board members are selected as well as the role stakeholder's play in Board population

3. President Function

Defines the nature of the relationship between the Board and the President and the expectations regarding the President's roles and responsibilities

4. Board Accountability

Defines the expectations placed upon the Board as a whole and each of its members

5. Board Function

Defines the primary role of the Board in-service to the organization and its stakeholders

6. Fiduciary Stewardship

Defines the role of the Board in overseeing the fiduciary interests and investments of its stakeholders

7. Risk & Asset Management

Defines the role of the Board in overseeing the organization's principle risks and resources on behalf of its stakeholders

8. Strategic Leadership

Defines the role of the Board in establishing and evolving a clear, relevant, meaningful and well understood strategic direction

9. Board Performance Systems

Defines the expectations for Board processes, systems and mechanisms in supporting Board performance

Components

1. Stakeholder Relationships
2. Board Composition
3. President Function
4. Board Accountability
5. Board Function
6. Fiduciary Stewardship
7. Risk & Asset Management
8. Strategic Leadership
9. Board Performance Systems

Governance Principles

- Defines “why” the organization governs the way it does

Governance Policies

- Defines the “what” specific action and behaviour expectations for:
 - The Board as a whole
 - Board members
 - Supporting Board structure

Governance Practices

Defines the “how” tools used to ensure principles and policies can be carried out efficiently and effectively

The Governance Manual Layout

The Governance Manual layout is divided into two parts:

Part One

This section provides the governance principles and policies.

Part Two

This section provides the most recent governance practices being used by the Board.

Principles and Policies

1. Stakeholder Relationships Principle and Policies

Principle #1 Stakeholder Relationships:

Date Approved/Updated May 19, 2020

The Board recognizes its role as a steward for the organization's stakeholders identified as its donors, the Joseph Brant Hospital and its volunteers and recognizing the diversity of the community it serves. The Board must clearly understand and meet the expectations of all its stakeholders. This is achieved through the execution of its fiduciary duties, and the establishment of a transparent and trusting relationship with all stakeholders.

1.1 Stakeholder Relationship Management Policy

Date Approved/Updated: May 28, 2018

The Board will have in place a stakeholder relationship management strategy for its stakeholders. The stakeholder strategy will be in support of the organization's strategic plan and will meet current good practice.

1.2 Memorandum of Agreement Policy

Date Approved/Updated/Reviewed: September 4, 2019

The Board shall ensure a Memorandum of Agreement between the Joseph Brant Hospital and the Joseph Brant Hospital Foundation is in place and remains relevant.

1.3 Governance Disclosure Policy

Date Approved/Updated/Reviewed: September 4, 2019

The Board shall ensure there shall be clear and transparent disclosure of JBHF's governance principles, policies and practices to its stakeholders.

2. Board Composition Principle and Policies

Principle #2 Board Composition:

Date Approved/Updated: May 19, 2020

The Board populates and leverages its directors in service to the organization in an evolving context. The Board values and recognizes diversity as a factor in overall Board effectiveness in its oversight, decision-making and governance duties.

Core Rationale

- The Board seeks to recruit talented and dedicated directors with a diverse mix of experience, skills and backgrounds collectively reflecting the strategic needs of the business and the nature of the environment in which the organization operates.
- When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Board will consider candidates using objective criteria to meet the needs of the Board. For purposes of this policy, diversity includes skills and knowledge, business experience, age, gender, cultural ethnicity, persons with disabilities, sexual orientation and other personal characteristics.

2.1 Director Skills Inventory Policy

Date Approved/Updated/Reviewed: September 4, 2019

The Board shall have in place a current inventory of its Directors skills, competencies, and experience and meets current good practice.

2.2 Board Chair Policy

Date Approved/Updated/Reviewed: September 4, 2019

The Board Chair shall be a non-management Director of the Board.

2.3 Board Recruitment, Election & Succession Policy

Date Approved/Updated/Reviewed: September 4, 2019

The Board shall have in place a Board recruitment, election and succession strategy and meets current good practice.

2.4 Board Composition Policy

Date Approved/Updated/Reviewed: April 14, 2021

The Board shall consist of the most effective number of Board members to ensure effective decision-making and monitoring of the organization at the highest standard.

Diversity in Board composition improves effectiveness. Therefore, Board members will be nominated and selected according to organizational needs with equal and intentional consideration given to knowledge, skills, professional experience, age, gender, sexual orientation, ethnicity and other personal abilities.

The Board composition will ensure the sustainability of the association and meets current good practice for a hospital foundation.

2.5 Board of Directors Terms of Office Policy

Date Approved/Updated/Reviewed: September 4, 2019

The Board shall develop terms of office for the Chair, Vice Chair and Board Members to ensure continuity and sustainability of the organization's governance principles, policies and practices. The terms will support the on-going ability of the Board as a whole to carry out its responsibilities and duties and meets current good practice.

3. President Function Principle and Policies

Principle #3 President Function:

The Board ensures effective and sustainable operational leadership.

Core Rationale

- The Board is responsible for recruitment, selection, evaluation, termination and succession of the President
- As the operational leader the President is ultimately responsible for all operational issues; the Board recognizes the right of management to manage
- The Board, together with the President, establish the criteria for operational benchmarks

3.1 Delegation of Authority to President Policy

Date Approved/Updated/Reviewed: October 16, 2019

The Board may expressly authorize the President to make decisions that are binding on the corporation and ultimately the Board is responsible and accountable for any such decision. Delegation to the President for the day to day management of the corporation is reasonable when subject to specific parameters or limitations set by the Board. The President is responsible for reporting to the Board on decisions that fall outside the Board approved delegation of authority to the President.

3.2 President Performance Management System Policy

Date Approved/Updated/Reviewed: September 16, 2020

The Board will have in place an employment contract with the President that meets current good practice and which shall be reviewed annually.

The Board, jointly with the President, will annually:

- Articulate the President performance objectives and measurements for those objectives

The Board will monitor, evaluate and fairly compensate the President based on these performance objectives and expectations using a performance management system that meets current good practice.

3.3 President Succession Strategy Policy

Date Approved/Updated/Reviewed: November 11, 2020

The Board will have in place a President succession strategy, jointly developed with the President, which will be reviewed and revised annually as required and meets current good practice.

3.4 President Compensation Policy

Date Approved/Updated/Reviewed: May 27, 2013

The Board will have in place a Compensation Practice for the President that meets good practice and which shall be reviewed annually.

4. Board Accountability Principle and Policies

Principle #4 Board Accountability:

In addition to being responsible for the organization as a whole, the Board is a self-responsible and accountable unit of the organization focused on:

- Auditing & satisfying its compliance requirements
- Measuring & monitoring its own performance

Core Rationale

- The Board exists to support the organization not visa-versa
- The Board establishes goals for itself and structures and organizes itself to meet those goals
- The Board measures and evaluates its contribution and goal achievement annually

4.1 Governance Policy

Date Approved/Updated/Reviewed: October 16, 2019

The Board through its Governance Committee shall develop and oversee the organization's approach to governance which meets current good practice.

The Board shall regularly measure and monitor its own practices and activities and meets current good practice.

Sufficient resources shall be dedicated to the operations and development of the Board and its work.

4.2 Conflict of Interest Policy

Date Approved/Updated/Reviewed: October 16, 2019

Board Directors shall be free of any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Directors ability to act with a view to the best interest of the organization.

The Board will have in place a conflict of interest practice to address any actual or perceived conflict of interest by its individual Directors and meets current good practice.

4.3 Director and Officer Liability and Insurance Policy

Date Approved/Updated/Reviewed: October 16, 2019

The Board will be adequately informed about all potential Director and Officer liability issues.

The Board will have in place at all times Director and Officer liability insurance.

4.4 Full Board Assessment Policy

Date Approved/Updated/Reviewed: May 29, 2017

The Board shall conduct a full Board assessment regularly as a means to improve Board effectiveness.

4.5 Individual Board Director Role, Expectations & Assessment Policy

Date Approved/Updated/Reviewed: December 9, 2019

The Board shall conduct an individual Board Director self-assessment regularly as a means to improve Board effectiveness.

5. Board Function Principle and Policies

Principle #5 Board Function

The Board's primary function is decision making and monitoring in service to the organization.

Core Rationale

- The Board is expected to be prudent in its decision making in support of organizational strategies and priorities
- The Board is expected to ensure confidence in monitoring mission critical aspects of the organization
- The Board focus is on "governing" vs. managing

5.1 Decision Making Policy

Date Approved/Updated/Reviewed: December 9, 2019

The Board will have in place a decision making process that meets current good practice.

Board Directors shall exercise independence of mind in decision making.

The Board shall leverage the diversity of its Directors knowledge and experience in discussions and decision making.

5.2 Monitoring Policy

Date Approved/Updated: December 9, 2019

The Board will have in place a performance monitoring and oversight process that meets current good practice.

6. Fiduciary Principle and Policies

Principle #6 Fiduciary Stewardship

The Board is a steward; overseeing the fiduciary interests and investments (i.e. reserve funds, real estate etc.) of its stakeholders.

Core Rationale

- The Board ensures there is a system and mechanisms to protect the stakeholders' investments and interest
- The Board monitors the financial performance of the organization on behalf of its stakeholders
- The Board ensures stakeholders have access to and trust in the communication and monitoring processes

6.1 Financial Results Policy

Date Approved/Updated/Reviewed November 11, 2020

The Board shall regularly monitor the financial performance of the organization on behalf of its stakeholders that meets current good practice.

The Board shall ensure that the financial results shall be reported fairly and in accordance with generally accepted accounting principles.

The Board shall ensure that there is clear and transparent disclosure of JBHF's financial results to its stakeholders.

6.2 Audit Function Policy

Date Approved/Updated/Reviewed November 11, 2020

The Board shall ensure that there is separation and objectivity between the regular financial duties of the Board and that of the audit function, and that this audit function is carried out by non-management Directors of the Board.

The Board shall ensure that the process for reviewing and selecting the organization's auditor meets required standards and good practice.

6.3 Corporate Bylaws Policy

Date Approved/Updated: December 9, 2019

The Board shall ensure that the bylaws are relevant to the organization within its evolving context and in support of effective decision making and monitoring that meets current good practice.

The Board will have in place a practice for reviewing and revising its bylaws.

7. Risk and Asset Management Principle and Policies

Principle #7 Risk and Asset Management

The Board oversees the management of the organization's principal risks and resources on behalf of its stakeholders.

Core Rationale

- The Board ensures there is compliance with the articulated standards of the organization
- The Board identifies and mitigates the principal risks of the organization
- The Board ensures there is a system to manage the risks of the organization and monitors this system

7.1 Organizational Standards Policy

Date Approved/Updated/ Reviewed: February 24, 2021

The Board shall ensure that the organization operates legally at all times.

The Board shall ensure that the organization meets its regulatory and compliance standards at all times.

The Board shall ensure that all legal, regulatory and compliance documents and records are properly prepared, approved and maintained

7.2 Code of Conduct Policy

Date Approved/Updated: December 9, 2019

The Board shall ensure that the organization has approved standards of business conduct that are to be upheld by all Directors and employees of the organization and meets current good practice.

7.3 Principal Risks Policy

Date Approved/Updated/ Reviewed: February 24, 2021

The Board, with the President and Senior Management, will identify the principal risks of the organization.

The Board shall ensure the principal risks of the organization are being mitigated.

The Board shall monitor the principal risks of the organization that meets current good practice.

The Board shall ensure that developments which have a significant and material impact on the organization are reported in a timely manner that meets current good practice.

7.4 Third Party Risk and Resource Management Policy

Date Approved/Updated/ Reviewed: February 24, 2021

The Board will have established criteria to review and select any third party risk and resource management professionals.

8. Strategic Leadership Principle and Policies

Principle #8 Strategic Leadership

The Board ensures there is a clear, relevant, meaningful and well understood strategic direction for the organization.

Core Rationale

- The Board must ensure clear and consistent communication with stakeholders regarding the direction of the organization
- The Board provides direction to operational leadership regarding organizational priorities and resourcing
- The Board must ask and seek answers to the "big questions" regarding the future viability and sustainability of the organization

8.1 Strategic Plan Development and Renewal Policy

Date Approved/Updated: November 11, 2020

The Board shall approve the strategic plan for the organization.

Strategy and future directions shall be initially developed by the President and Senior Management and enhanced by the Board's expertise.

The organization shall have a clear, relevant, meaningful and well understood strategic direction.

The Board shall use the organization's long range strategic priorities in its decision making practice.

The Board goals and activities shall contribute significantly to the organization's strategy.

The Board shall set time aside at least annually to review, revise and renew the strategic plan as required, to ensure its current relevancy to the emerging context faced by JBHF.

8.2 Operating Plan and Budget Policy

Date Approved/Updated: February 19, 2020

The Board will delegate to the President the responsibility to develop an operational plan and budget that supports the strategic plan.

This operational plan and budget shall be approved annually by the Board.

9. Board Performance Systems Principle and Policies

Principle #9 Board Performance Systems

The Board performance systems (frameworks, processes, structures, tools) enhance the Board's primary function of monitoring and decision making.

Core Rationale

- The "tools" and mechanisms of the Board must support monitoring and decision making
- Reliability and simplicity are key measures of effective systems
- Examples of performance systems include:
 - Governance renewal
 - Board orientation / reorientation
 - Board meeting and communication
 - Board Chair role and assessment
 - Committee structure and assessment
 - Committee Chair and assessment

9.1 Governance Renewal Policy

Date Approved/Updated: May 27, 2013

The Board shall ensure that the governance principles, policies and practices of JBHF are articulated and communicated.

The Board shall review and revise the governance principles, policies and practices as required.

The Board shall ensure revisions to any policies are aligned with current good practice.

If any new good governance policy is not aligned with the bylaws then the required bylaw changes shall be introduced, discussed and voted on by the membership of JBHF.

If the new good governance bylaw in support of the new policy is not approved by the membership, then the existing bylaw and policy will stand.

9.2 Board (Re) Orientation/Education and Training Policy

Date Approved/Updated: February 19, 2020

The Board shall ensure that the Board orientation/reorientation system shall provide an effective introduction to the organization and the requirements of the position for new Directors and an effective review for existing Directors.

The orientation/reorientation system shall meet current good practice.

The Board shall conduct a Board orientation/reorientation annually.

9.3 Board Member Development System Policy

Date Approved/Updated: February 19, 2020

The educational development of the Board shall be an ongoing process.

The Board shall ensure that educational development opportunities be chosen to promote knowledge in relevant areas of Board Member development.

9.4 Board Meeting and Communication Policy

Date Approved/Updated: November 11, 2020

The Board shall ensure that Board meetings shall support the Board in effective decision making and monitoring and meets current good practice.

The Board shall ensure that the Board communication system between itself and the President and itself and the Board Committees shall support the Board in its decision making and monitoring and meets current good practice.

9.5 Corporate Officer Roles, Board Chair Assessment, & Board Meeting Assessment Policy

Date Approved/Updated: May 27, 2013

The Board will have in place an articulation of the role of the Board Chair that meets current good practice.

The Board will have in place a system to assess the effectiveness of the Board Chair that meets current good practice.

9.6 Committee Structure Policy

Date Approved/Updated: May 27, 2013

The Board shall have a committee structure and terms of reference that shall support the primary function of decision making and monitoring that meets current good practice.

9.7 Committee Assessment Policy

Date Approved/Updated: May 27, 2013

The Board shall conduct an annual assessment of the effectiveness of the current Board Committees that meets current good practice.

9.8 Committee Chair Role and Assessment Policy

Date Approved/Updated: May 27, 2013

The Board will have in place an articulation of the role of a Committee Chair that meets current good practice.

The Board will have in place a system to assess the effectiveness of the Committee Chairs that meets current good practice.

9.9 Director Contravention of Policy, Policy

Date Approved/Updated: February 19, 2020

The Board will ensure a Director Contravention of Policy, Policy, is in place that clearly outlines the process to be followed when a contravention has been identified.

9.10 Board Mentorship Program

Date Approved/Updated/Reviewed: October 16, 2019

The JBH Foundation is committed to maintaining its role as a best practice Foundation, prioritizing excellence in governance, and creating an effective and engaged Board of Directors. In support of this commitment the Governance Committee of the Board has established the JBHF Board Mentorship Program.