

Kemptville District Hospital BOARD OF DIRECTORS POLICY	
Subject: CORPORATE SERVICES COMMITTEE – TERMS OF REFERENCE	Policy No.: 20
Policy Objective: To provide Terms of Reference to govern the Corporate Services Committee of the Board.	Date Approved: November 2015
	Review/Revision Dates: Jan. 2017 Mar. 2020 June 2024

Mandate	The Committee will exercise oversight and stewardship over human, financial, information management and property resources of the Kemptville District Hospital (KDH).
Duties and Responsibilities	<p>Financial Resources</p> <ul style="list-style-type: none"> • Ensure appropriate processes and procedures are in place for the development, review (including assumptions and cash flow), and approval of the annual operating and capital budgets, in-line with the Hospital’s strategic plan. • Review, monitor and provide recommendations to the Board on financial measures to ensure compliance with the Hospital's strategic plan. • Ensure appropriate processes and procedures are in place for ongoing management of operational and capital expenditures. • Review on a routine basis financial performance and compare actual performance against budget including year-end projections as prepared by management, to the Board. <ul style="list-style-type: none"> ○ Review and recommend to the Board plans, developed by management to address variances between budget and actual performance, and receive updates on progress of plans to address variances and report to the Board. ○ Review and make recommendations to the Board on material asset acquisitions not contemplated in the annual capital plan. • As needed, review and recommend long-term revenue and expense projections. • Review, with management, industry developments and legislative changes that may have an impact on financial resources or performance and report to the Board. • Obtain reasonable assurance from management that the Hospital’s policies & procedures with respect to financial accounting and

reporting, internal controls and risk management, and financial infrastructure systems are appropriately designed and operating effectively.

- Review and provide recommendations to the Board regarding financial resources and assets, including banking arrangements, lines of credit, borrowing, long term debt and investments and potential risks related thereto.
- Review and make recommendations to the Board on insurance coverage.
- Ensure the Hospital has complied with all relevant accounting and financial, legal, public disclosure, and regulatory requirements and statutory filings.
- Recommend to the Board, approval of material changes to accounting principles and practices as suggested by management with the concurrence of the external auditor.
- Advise the Board on other financial matters as required.

Financial Audit

The Corporate Services Committee shall receive recommendations or reports from the Audit Sub-Committee regarding the following items:

- The Auditor's performance and the appointment of Auditors by the Board.
- The approval of the annual audit fees by the Board.
- The approval by the Board of the audit plan and the Auditor's annual engagement letter.
- Statements from the Auditor concerning their independence
- The approval of the audited financial statements and related notes to the financial statements by the Board
- Confirmation of compliance to generally accepted accounting principles and all new accounting, auditing and reporting standards
- The Auditor's management letter and overseeing the follow-up on any related audit recommendations or on other matters raised

The Corporate Services Committee may authorize special review mandates or investigations to address any areas of concern within the Audit Sub-Committee's or Corporate Services Committee's scope of responsibilities including retaining independent legal counsel and other professionals. The Corporate Services Committee shall review the scope and fees associated with any special review mandates.

Human Resources (HR)

- Review and make recommendations to the Board regarding the Hospital’s talent management strategy.
- Review and recommend to the Board wage negotiation mandates for all local collective agreements as part of annual budget process.
- Review and recommend to the Board increases to remuneration of non-unionized staff, including management as part of annual budget process.
- Monitor and evaluate matters relating to the compensation and benefits structure of the Hospital, including providing guidance to management on significant issues affecting compensation or HR policy.
- Ensure preparation of senior level succession planning other than for the CEO and Chief of Staff including development/training strategies are in place for the organization.

Property Resources

- Review and make recommendations to the Board on the optimal use of land and buildings in relation to the needs of the Hospital and the community it serves.
- Review all proposed major renovation and construction projects and make final recommendations to the Board.
- Review progress and make recommendations to the Board regarding all major construction projects undertaken by the Hospital.
- Recommend to the Board relevant policies on construction, renovations and disposition and use of real estate.

Information Management

- Review and make recommendations to the Board regarding the Hospital’s Information Management strategy, including:
 - Alignment of information technology and the Hospital’s strategic plan.
 - Delivery of value by information technology to the quality of care, service, efficiency and organizational performance of the Hospital, including the development and monitoring of performance metrics.

	<p>Status</p> <p>The Audit Sub-Committee shall assure the Corporate Services Committee that:</p> <ul style="list-style-type: none"> • KDH operations are within the guidelines set out by CRA in order to maintain its non-taxable status and its eligibility for all funding to which it is entitled as a public hospital. The Committee may ask the Audit Sub-Committee to ask the independent auditors to make separate specific comment on this while discussing the results of the annual audit. To be designated by the Canada Revenue Agency (CRA) as a hospital authority (according to CRA HST Memorandum 25.2 dated March 2009), and that the organization is operating a facility that meets all of the following criteria: <ul style="list-style-type: none"> ○ it is recognized as a public hospital by the government of the province or territory where it is located; ○ it is established and operated solely for a purpose other than profit; ○ it is operated for the purposes of providing medical or surgical treatment of the sick or injured; and ○ it provides and maintains in-patient beds and services.
<p>Membership</p>	<p>The Committee is composed of the following voting members:</p> <ul style="list-style-type: none"> • Treasurer of the Corporation who acts as the Chair • Chair of the Board • CEO • Vice Chair of the Board • Chief of Staff or one physician recommended by the Medical Advisory Committee • Co-Chair of the Patient and Family Advisory Committee (PFAC), or delegate who shall also be a member of the PFAC. • Up to four other members of the Board
<p>Term</p>	<p>Members shall be appointed annually by the Board.</p>
<p>Chair</p>	<p>The Treasurer of the Corporation will be the Chair of the Committee.</p>
<p>Frequency of Meetings</p>	<p>At least four times per year, at least one week prior to the meeting of the Board.</p>

Quorum	A majority of voting members shall constitute a quorum.
Resources	The Chief Financial Officer of the Hospital is the secretary of the Committee and attends all meetings. Other staff resources may be added at the discretion of the Chair.
Accountability	The Corporate Services Committee is accountable to the Board.

References

Ontario Hospital Association & Borden Ladner Gervais. (2024, January 19). Not-for-Profit Corporations Act, 2010 ("ONCA"): Updates to the OHA Hospital Prototype Corporate By-law.

Ontario Hospital Association. (2024, 01 24). Finance and Audit Committee Terms of Reference (updated January 2024). Retrieved from Ontario's Not-for-Profit Corporations Act: <https://www.oha.com/guidance-and-resources/accountability-and-governance/ontarios-not-for-profit-corporations-act>