

BRIEFING NOTE

TO: Board of Directors

FROM: Governance Committee

DATE: May 17, 2021

SUBJECT: 9.1(c) Content Review of Board Terms of Reference Policy 4-03

For Decision

For Information

Monitoring Report

Purpose:

To carry out a scheduled review of the Board Terms of Reference Policy 4-03 for the purpose of determining whether any amendments are necessary.

Background:

It is the responsibility of the Board to develop, approve, update and evaluate implementation of its governance policies. Appendix 2 to the COO's Policy Governance Manual sets out a review schedule for all policies in the manual. The purpose of reviewing the policies on a regular basis is to ensure that they continue to be relevant and serve the function that they were implemented for.

For Consideration:

The Board Terms of Reference Policy 4-03 was first approved by the Board on May 28, 2018 and falls within the Governance Process Category. Policies in this category determine how the Board operates, including its role, discipline and accountability.

The original Board Terms of Reference Policy 4-03 is attached in **Appendix A** below and the revised version, **Appendix B**, is also attached.

On review, the Governance Committee was of the view that the proposed revised policy is streamlined to remove any redundancies between by-laws and the existing policy. The updated terms of reference provide more clarity, consistency and guidance to adequately serve the Board's needs.

Public Interest Considerations:

The Board has recognized the importance of strong governance in order to carry out its object of regulating the profession in the public interest and has invested significant time and resources into updating its governance policies and processes. Reviewing the content of these policies ensures that policies are consistent and effective, and that the College is up to date with regulations, technology, and regulatory best practices.

Diversity, Equity and Inclusion Considerations:

It is incumbent on the Board to consider whether the proposed action plan is consistent with the COO's organizational values relating to diversity, equity and inclusion.

Recommendation:

To approve the updated version of the Board Terms of Reference Policy 4-03 as recommended by the Governance Committee.

POLICY TYPE: GOVERNANCE PROCESS

4-03 Board Terms of Reference

MANDATE

The Board exists to ensure the accountability of the COO to the Public of Ontario, the COO beneficiaries, on behalf of COO registrants. The Board is comprised of both professional and public directors in accordance with legislation.

The Board mandate is to govern the organization by developing and overseeing the implementation of regulations, bylaws, and Board policy, including:

1. Setting the Vision for Strategic Outcomes direction for the organization through policy development; and
2. Ensuring the organization is fulfilling its mandate and achieving its Strategic Outcomes through assurance of prudent and ethical means to achieve these Strategic Outcomes.

To distinguish the Board's own unique job from the jobs of its staff, the Board will concentrate its efforts on the following job "products" (outputs):

POLICY DEVELOPMENT

The Board is responsible for developing and revising Board governing policy described in the following areas:

- 1. Strategic Outcomes Policies (Impact, Public Benefit)**
 - a. Developing the organization's Strategic Outcomes Policies reflecting the values of the Ownership (registrants and the public).
 - b. Provide strategic direction and leadership to COO regulatory and governance committees and the Registrar, CEO through the Strategic Outcomes Policy direction.
 - c. Seeking out and developing an understanding of the current and future needs and issues related to what impact COO should be having.
 - d. Defining which needs are to be met, for whom and at what worth.
 - e. Contributing to decisions regarding the high-level financial plan ensuring sufficient resources are available to achieve the Strategic Outcomes Policies.
 - f. Influencing changes to the RHPA, the Opticianry Act, and other relevant legislation that may affect achievement of the Policies.
- 2. Governance Process Policies (Board's Job and Process)**
 - a. Determining its philosophy, principles, authority, responsibility and accountability, and the specifics of the Board's role.
 - b. Clarifying expectations for the Board and COO Code of Conduct, Confidentiality, and Conflict of Interest.
 - c. Specifying how the Board conceives, carries out and monitors its own work.
 - d. Establishing the structures and processes of the Board for effective functioning and decision making.
 - e. Establishing policy to educate, orientate, and develop effective directors and ensure excellent governance competencies.

- f. Evaluating its own performance on a regular basis to enhance Board effectiveness.
- g. Ensure best-practice and informed governance includes enhancing director competencies, recruitment and selection, orientation, continuing professional development and succession planning are ongoing.
- h. Ensuring subordination of personal and professional interests for goods of the public in good faith.

3. Board/Registrar, CEO Delegation Policies (Board/Registrar, CEO Working Relationship)

- a. Stating the manner in which the Board delegates authority to and holds accountable the Registrar, CEO.
- b. Defining the Registrar, CEO's role, authority and accountability.
- c. Selecting the Registrar, CEO and establishing the conditions of the Registrar, CEO's employment.
- d. Directing and ensuring effective performance of the Registrar, CEO

4. Operational Boundaries Policies (Means to Ends)

The Board will govern on “means to ends” issues by setting policies in the form of operational boundaries rather than by prescribing how the Registrar, CEO should perform specific duties.

- a. Defining constraints on operational authority which establish the risk boundaries of prudence and ethics within which all Registrar, CEO activity and decisions must take place.
- b. Defining the operating boundaries related to resource and financial management in order to ensure effective outcomes and protect the assets of the organization.
- c. Establishing the boundaries of acceptability of staff means and activities by defining those practices, activities, and situations which are unacceptable.
- d. Ensuring the effective leadership of all COO regulatory functions and requirements within legislation and regulation.

MONITORING (ACCOUNTABILITY)

The Board is responsible for ensuring the organization is fulfilling its mandate and achieving its Strategic Outcomes with responsible management of resources by:

- 1. Monitoring the Registrar, CEO effectiveness in achieving the outcomes of the organization to ensure the established Strategic Outcomes are being achieved within the boundaries of ethics and prudence.
- 2. Ensuring compliance with applicable laws, regulations, and statutes.
- 3. Ensuring that the written Board policies are updated regularly.
- 4. Monitoring Board effectiveness regularly.

Registrar, CEO Support

The Board will ensure that there is a mechanism in place to provide input, dialogue, and support to the Registrar, CEO by:

1. Monitoring the Registrar, CEO's results through the Board Monitoring System Policy, 4-25(the desired results are outlined in the Strategic Outcomes Policies)
2. Being available to the Registrar, CEO to discuss and give input as requested by the Registrar, CEO.

LINKING WITH THE OWNERSHIP

The Board is responsible for ensuring that the organization is effectively engaged with its stakeholders through effective linkages with registrants, the public of Ontario (our beneficiaries), and the organizations with whom we collaborate by:

1. Communicating regularly with the broader ownership regarding mandate, values, and Ends results.
2. Establishing and maintaining clearly defined relationships with the organizations with whom we work/collaborate.
3. Establishing policy to obtain and review feedback from the owners, beneficiaries, and stakeholders on future needs and trends, and on the results being achieved by the COO.

Composition

Professional Directors must be in good standing with the organization and shall be elected or appointed to the Board according to the By-laws of the organization.

Public Directors are appointed by the Lieutenant Governor of Ontario through an Order in Council.

The Board membership includes:

1. Chair – Professional or Public
2. Vice Chair – Professional or Public
3. Directors as set out in the By-laws

Term of Office

Professional directors' terms of office are in accordance with legislation and By-laws. Public directors' terms of office are determined by government appointment.

Meeting Schedule and Attendance

Board meetings are held in accordance with COO By-laws.

Directors are integral to the governance and accountability of the College. All directors have a responsibility to attend Board meetings, as their attendance is essential to ensure the efficient and effective operation of Board business (i.e. governance process). Continuity in Board discussions and an in-depth understanding of the governance issues is critical to Director effectiveness and hence the Board.

The Board will normally meet quarterly and hold a minimum of four meetings annually. Each meeting will be approximately one to two days in length. Occasionally an additional meeting may be held to address emergent issues and/or Board planning and/or orientation.

It is the expectation that when Directors (public and professional) accept the appointment that they will agree and make every effort to attend and participate at all the Board meetings on a regular basis.

The following guidelines should be followed by all Directors:

- a) Directors unable to attend or anticipate being late should inform the Chair and Registrar & CEO in advance.
- b) In accordance with the COO By-laws, professional Directors shall be disqualified from the Board where they:
 - i. Fail, without reasonable cause to attend two consecutive Board meetings; or
 - ii. Fail, for any reason, to attend four consecutive Board meetings.

Public Directors missing two consecutive meetings of the Board without reasonable cause, or four consecutive meetings for any reason, shall be reported to the Public Appointments Unit of the Ministry of Health with a request to replace the Public Director.

POLICY TYPE: GOVERNANCE PROCESS

4-03 Board Terms of Reference

Board Composition

1. The Board is composed of elected and public members in accordance with the *Opticianry Act, 1991*.
2. Professional board members are elected and serve in accordance with the COO by-laws.

Accountability and Role

3. The Board is established by the *Regulated Health Professions Act, 1991 (RHPA)* and is accountable to the Minister of Health.
4. The Board's role is to ensure that the COO operates in a manner that is legal, ethical and efficient, so that it fulfills its statutory mandate of regulating the profession of opticianry in the public interest.

Authority and Responsibilities

The Board has ultimate responsibility for its actions. The Board's responsibilities include:

5. Performing such functions as are assigned to it under these Terms of Reference, the *RHPA*, the *Opticianry Act, 1991*, the regulations under those acts, and the COO by-laws and policies.
6. Considering and proposing changes to applicable legislation and regulations.
7. Developing and approving by-laws, standards of practice and practice guidelines.
8. Developing, approving and monitoring the implementation of board policies, including:
 - a. Strategic Outcomes Policies
 - b. Operational Boundaries Policies
 - c. Board-Staff Relationship Policies
 - d. Governance Process Policies
9. Setting the COO's strategic goals and direction and overseeing implementation of the strategic plan.
10. Approving the annual budget and audited financial statements.
11. Engaging a Registrar, CEO to oversee the operations of the organization and implement the Board's strategic plan.
12. Providing input and support to the Registrar, CEO to ensure they are provided with sufficient guidance and resources to achieve the Board's strategic outcomes.

4-03 BOARD TERMS OF REFERENCE (Previously 4-05)

Date Approved: May 28, 2018

Date Last Revised:

13. Monitoring the Registrar, CEO's performance and, where necessary, determining to terminate the Registrar, CEO's employment.
14. Appointing statutory and non-statutory committees to carry out the functions assigned to them under *RHPA* and/or by the Board.
15. Appointing individuals to sit on COO committees in accordance with the by-laws.
16. Receiving and reviewing quarterly and/or annual reports from COO committees.
17. Ensuring, through regular stakeholder engagement, that COO policies and processes are consistent with the COO's mandate, changing public expectations, and the Board's values, including its commitment to diversity, equity and inclusion.