

BRIEFING NOTE

TO: Board of Directors

FROM: Governance Committee

DATE: December 4, 2023

SUBJECT: Board Effectiveness Self-Evaluation Policy 4-26

For Decision For Information Monitoring Report

Purpose:

To review proposed changes to the Board Effectiveness Self-Evaluation Policy 4-26.

Background:

The Board Effectiveness Self-Evaluation Policy (4-26) was first approved by the board in 2018. The policy codified the existing process for board and committee members to engage in an annual self-evaluation process.

The process takes place in December of each calendar year and all Directors and committee members are required to participate by completing a survey about the effectiveness of the board and/or each committee that they sit on.

The results of the board and committee self-evaluations are reviewed at a strategic planning session in February/March and leads to the development of an action plan for the coming year.

In October 2021, the board approved a motion to commit to a process for regular third-party evaluations of its effectiveness. The first third-party evaluation was carried out in 2022 and the results of the evaluation were presented to the board in March 2023. The board further committed to undergoing third-party assessments every three years, in accordance with the standard established under the College Performance Measurement Framework.

For Consideration:

The current Board Effectiveness Self-Evaluation Policy (4-26) does not include a process for third-party assessments of the board's effectiveness.

Accordingly, it is recommended that the policy be updated to codify the process agreed to by the board in October 2021; namely to undergo a third-party effectiveness evaluation every three years.

In addition, since the policy was last reviewed, several changes have been implemented to make the annual self-evaluation process more efficient and in order to ensure that the results can be reviewed in a timely manner by early March. These changes have included:

- Introducing a new survey tool based on a model developed by the Ontario Hospital Association.
- Administering the survey internally rather than via a consultant.
- Bringing the results of the evaluation directly to the board rather than first going to the Governance Committee.

Amendments have therefore been proposed to the policy to align with the changes in process outlined above.

Public Interest Consideration:

The proposed updates to the policy will codify the board's commitment to regular third-party evaluations, in addition to streamlining the process for its annual self-evaluation. In so doing, the changes support the board's ability to carry out its public interest mandate.

Diversity, Equity and Inclusion Considerations:

The Governance Committee did not identify any concerns from a diversity, equity and inclusion perspective.

Action:

The Governance Committee recommends that the Board approve the proposed updates to the Board Effectiveness Self-Evaluation Policy.

POLICY TYPE: GOVERNANCE PROCESS

4-26 Board Effectiveness ~~Self-Evaluation~~ Policy**POLICY**

In order for the Board to achieve its public protection mandate, it must govern with excellence and integrity and hold itself accountable. The Board recognizes that poor governance ultimately costs COO much more than does allocating resources to support the Board in learning to govern well. The Board, as a whole, and individual Directors will invest time and resources to enhance their understanding and ongoing implementation of governance excellence. Further, the Board recognizes that in order to do so, it needs an ongoing plan for evaluating the Board's effectiveness self-evaluation and continuous Board learning and development.

Given this commitment, the Board will assess its performance by conducting ~~an Annual Board Effectiveness effectiveness Selfself-Evaluation evaluations and periodic third-party effectiveness evaluations~~ that adheres to the principles and process outlined below:

Annual Effectiveness Self-Evaluation

1. Directors are required to participate in annual the Board self-evaluations. In addition, Directors and Appointed Committee Members are required to complete annual a committee effectiveness evaluations.
2. The Board Chair is authorized to take steps to ensure that all Directors and committee members complete the self-evaluations and do so in a timely manner.
3. The Board effectiveness self-evaluation will pertain to the Board's performance as a whole, as well as an overall summary of individual member contributions. The Committee evaluation will address each specific Committee's effectiveness and will be used annually.
4. These effectiveness self-evaluations will take place in the last quarter of the calendar year.
5. The Board will meet in February/March to review a report of the results of the Board and committee self-evaluations and to develop an action plan for the coming year. The plan will be linked to and recorded in the Board's Annual Integrated Strategic Agenda/Work Plan. ~~A report to the res~~
4. ~~ults of the self-evaluation will be forwarded to the Governance Committee, which will review the draft report and discuss the:~~
 - ~~Analysis of key themes identified in the report, and~~
 - ~~Conclusions and the recommended action plan~~

~~The Committee will then share the report and its recommended action plan for discussion with the Board and Board approval at the February Board meeting.~~

5. ~~The Governance Committee will guide the process on behalf of the Board. To ensure objectivity and efficiency of the process, a qualified, independent third party will be engaged to administer the data collection, prepare the initial analysis, and provide a data summary.~~

6. Following the Board discussion regarding the results, the Board will report in public session the following:
 - a. The record of the Board effectiveness self-evaluation taking place
 - b. The number of Directors participating
 - c. The Board's related action plan in response to the learning resulting from the evaluation.

Third-Party Effectiveness Evaluation

7. ~~The Board will~~ Every three years, the Board will undergo an effectiveness evaluation by an independent third party. All Board members are required to participate in the third-party effectiveness evaluation.
8. The Board Chair is authorized to take steps to ensure that all Directors participate in the third-party effectiveness evaluation.
1. ~~The Board third-party effectiveness evaluation will pertain to the Board's performance as a whole, as well as an overall summary of individual member contributions.~~
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10. The Board will meet in February/March to review a report of the results of the third-party effectiveness evaluation and to develop an action plan for the coming year. The plan will be linked to and recorded in the Board's Annual Integrated Strategic Agenda/Work Plan.
11. Following the Board discussion regarding the results, the Board will report in public session the following:
 - d. The record of the third-party effectiveness evaluation taking place
 - e. The number of Directors participating
 - d.f. The Board's related action plan in response to the learning resulting from the evaluation.