

<b>Category: BOARD POLICY – BOARD PROCESS</b>	
<b>Title: TERMS OF REFERENCE: People &amp; Governance Committee</b>	<b>Reference Number: AB 340</b>
<b>Approved by: PHSA Board of Directors</b>	<b>Last Approved: June 23, 2022 Last Reviewed: June 23, 2022</b>

## **I. INTRODUCTION**

The purpose of the People & Governance Committee (“the Committee”) is to:

- A. provide a focus on governance that will enhance the performance of the Provincial Health Services Authority (“PHSA”) .. The Committee assesses and makes recommendations regarding Board effectiveness, provides direction regarding ongoing Director development and leads the process for recommending Director skills and qualifications criteria to the Government for consideration when appointing Directors; and
- B. assist the Board in fulfilling its obligations relating to labour relations, human resources and compensation matters and to establish a plan of continuity and development of senior management.

## **II. COMPOSITION AND ORGANIZATION**

- A. The Committee shall be composed of not fewer than three Directors.
- B. The Committee shall operate in a manner that is consistent with the Committee Guidelines.
- C. The Committee shall meet at least four times each year.

## **III. DUTIES AND RESPONSIBILITIES**

The Committee has the responsibility to ensure processes are established and monitored for:

- A. General Governance matters including:
  - i) Ensuring a governance framework is in place and regularly updated to reflect current circumstances including reviewing, guiding and/or recommending to the Board on the following:
    - the establishment of selection criteria and appropriate candidates recommended to the Government through the Chair;

- Board and committee structure;
  - By-laws and policies;
  - Board orientation and continuing education program; and
  - Board, Committee, and Individual Director evaluation.
- ii) Review annually, for Board approval, a Board Reference Manual outlining the policies and procedures by which the Board will operate and the terms of reference for the Board, the Board Chair, the President and Chief Executive Officer (the “CEO”), a Director, the Board Officers, and the Committee.
  - iii) Ensure there is a process that enables a Committee or Director to engage separate independent counsel in appropriate circumstances, at PHSA’s expense, and be responsible for the ongoing administration of such a process.
  - iv) Recommend to the Board any reports on governance that may be required or considered advisable.
  - v) At the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of PHSA.
  - vi) Recommend a performance evaluation process for the President and CEO and when approved, lead the implementation of the evaluation process.
  - vii) Review and recommend the CEO’s compensation according to the Public Sector Employers’ Council (PSEC) guidelines.
  - viii) Review and recommend PHSA’s compensation philosophy and guidelines.
  - ix) Review with the CEO existing management resources and plans, including recruitment and training programs, to ensure that qualified personnel will be available for succession to executive positions at PHSA and report on this matter to the Board at least once each year.
  - x) Review and endorse major changes in the organizational structure of Management as proposed by the CEO.
  - xi) Review PHSA’s human resource policies on a regular basis.
  - xii) Monitor the People Risks on the PHSA Integrated Risk Register and support the implementation of appropriate risk mitigation strategies.
  - xiii) Provide governance oversight to PHSA’s initiatives to address anti-indigenous racism and support cultural safety and humility in the workplace;
  - xiv) Provide governance oversight to PHSA’s strategy to advance justice, equity, diversity and inclusion in the workplace.

- xv) Review with the CEO any significant outside personal commitments the CEO is considering before the commitment is made. This includes commitments to act as a Director or trustee of for-profit and not-for-profit organizations.
- xvi) Review and recommend the acceptance or rejection of proposed Collective Agreements.
- xvii) Review and recommend:
  - the annual compensation policy/program for employees;
  - new benefit programs or material changes to existing programs;
  - all increases to employee compensation for groups of employees. For greater clarity, this requirement is not meant to capture the individual compensation adjustments deemed appropriate by the Human Resources department in the normal course of business given changes to an employee's role for temporary acting positions, additional duties, or other considerations which are determined on an individual basis;
  - any planned exceptions to the PSEC guidelines and compensation framework; and
  - as required, the signed attestation of compliance from the CEO and CFO specific to the PSEC Guidelines and compensation reference plan.
- xviii) Developing and monitoring a plan to achieve compliance with the governance standards of Accreditation Canada.

**B. Director selection:**

- i) In consultation with the CEO and Chair, recommend, through the Chair, to the Government the selection criteria and potential candidates for consideration by the Government when appointing Directors to the Board.
- ii) Develop recommendations regarding the essential and desired expertise and skills for potential Directors, taking into consideration the Board's short-term needs and long-term succession plans.

#### **IV. ACCOUNTABILITY**

The Committee shall report its discussions to the Board by maintaining minutes of its meetings and providing an oral report at the next Board meeting.

#### **V. COMMITTEE TIMETABLE**

The timetable on the following pages outlines the Committee's schedule of activities.

Policy Revision Dates:

August 18, 2004	June 20, 2012	June 26, 2013	August 22, 2013	June 18, 2015
June 28, 2017	June 28, 2018	June 27, 2019	September 17, 2020	

Activity Planner Revision Dates

June 22, 2011	June 26, 2013	June 18, 2015	June 28, 2016	June 28, 2017
April 30, 2019	September 17, 2020	June 24, 2021	June 23, 2022	

## PEOPLE & GOVERNANCE COMMITTEE ACTIVITY PLANNER

ACTIVITY		DATE					NOTES
		Feb	Apr	Jun	Sep	Nov	
<b>BOARD-CEO RELATIONSHIP</b>							
<b>Policies</b>							
	President & CEO Evaluation Policy		X				Review of Policies describing the Board's relationship with the CEO
	Board Evaluation Policy					X	
	Recruitment Selection & Appointment of CEO					X	Every 2 years
	Terms of Reference - CEO Search Committee					X	Every 2 years
<b>Related Processes</b>							
	Board Evaluation					X	Board Processes initiated by the Governance & HR Committee
	CEO Evaluation		X				
	Review Management resources and plans with CEO						Ad hoc – brought forward as identified
	Review Organizational structure with CEO						
<b>ADMINISTRATIVE PARAMETERS</b>							
<b>Human Resource Policies</b>							
	Code of Ethics	X					Review of Policies which provide advice to the Executive to ensure the achievement of ends (mission) in an effective prudent and ethical way
	Fostering a Culture of Respect (formerly Resolution of Respectful Workplace & Human Rights Policy)			X			
	Standards of Business Conduct	X					
	Theft, Fraud, Corruption & Non-compliant activities			X			
	Influenza Prevention Policy					X	
<b>Human Resource Related Processes</b>							
	Non Contract Compensation Framework						Ad hoc – brought forward as identified
	High Impact Organizational Issues	X	X	X	X	X	Review of HR Processes with governance implications
	Internal Audit Issue Reports (with HR implications)						Ad hoc – brought forward as identified
<b>Finance Report</b>							
	Semi annual specific expense report		X		X		Include CEO, Directors and Board expenses
<b>BOARD GOVERNANCE PROCESSES</b>							
<b>Terms of Reference</b>							
	Board Chair			X			Review of policies to ensure the effective operation of the Board of Directors
	President & CEO			X			
	Board of Directors			X			
	Director			X			
	Officers of the Board			X			
	People & Governance Committee			X			
<b>Guidelines &amp; Policies</b>							
	Principles of Governance and Board Accountability				X		Review of guidelines to ensure the effective operation of the Board of Directors
	Board Committee Guidelines				X		
	Board Meeting Guidelines				X		
	Code of Conduct and Conflict of Interest Guidelines					X	
	Board Record Retention Policy					X	
	Long Term Board Renewal Plan					X	
	Board Orientation & Ongoing Education Policy				X		
<b>Related Processes</b>							
<b>Appointment of New Directors</b>							
	Review Board reappointments & vacancies					X	Board Processes initiated by Governance & HR Committee
	Review Board profile & director criteria				X		
<b>Board Orientation &amp; Education*</b>							
	Board Reference Manual			X			General review of content & format

\*Education sessions are held during every Board cycle.

Revised March 2022

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