



# **Board of Directors**

# **GOVERNANCE POLICIES**

**Supporting people living with mental health and cognitive challenges**

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<b>POLICY:</b> Responsibilities of the Board of Directors	<b>POLICY NUMBER:</b> GOV-1.1
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018 (R) September, 2014

**Purpose:**

The Board's role is strategically oriented and focused on decisions that affect the organization's long-term sustainability. The board also has an obligation to ensure the organization is achieving its operational goals, consistent with its mandate and accountability to stakeholders. This policy has been developed to ensure that the board has a shared understanding of its governance role.

**Policy:**

**Board Responsibilities**

The board is responsible for the overall governance of the affairs of the corporation including, but not necessarily limited to the following:

**a) Strategic Planning and Mission, Vision and Values**

- The board participates in the formulation and adoption of the organization's mission, vision and values
- The board ensures that the organization develops and adopts a strategic plan that is consistent with its mission and values, and which will enable the organization to realize its vision. The board participates in the development of and ultimately approves the strategic plan for the organization
- The board ensures that the organization's strategic plan is refreshed every 3 to 5 years
- The Board ensures that COTA Health's commitment to quality and client safety is reflected in each strategic plan
- The board oversees operations to ensure alignment with the strategic plan and objectives
- The board receives regular briefings or progress reports on implementation of strategic directions and initiatives
- The board ensures that its decisions are consistent with the strategic plan and the mission, vision and values
- The board conducts regular reviews of the organization's progress against the strategic plan (quarterly via reports from the Quality & Performance Committee and annually in relation to the Executive Directors performance evaluation)

**b) Quality and Performance Measurement and Monitoring**

- The board is responsible for establishing a process and a schedule for monitoring and assessing the organization's performance in the following areas:
  - Fulfilment of the strategic directions in a manner consistent with the mission, vision and values

- Oversight of management performance,
- Compliance with individual funder requirements,
- Compliance with applicable regulations
- Quality Improvement activities and staff/client safety strategies
- Human resource management, development and succession planning
- Stakeholder satisfaction
- Board's own effectiveness
- The board ensures that management develops appropriate measures of performance
- The board monitors organizational and board performance against board approved performance standards and indicators
- The board ensures that management has plans in place to address variances from performance standards/indicators and the board oversees implementation of remediation plans.

**c) Financial Oversight**

- The board is responsible for ensuring adequate resources: human, financial and physical
- The board is responsible for stewardship of financial resources including ensuring availability of, and overseeing allocation of, financial resources
- The board approves policies for financial planning and approves the annual operating and capital budget
- The board monitors performance against budget
- The board approves investment policies and monitors compliance
- The board ensures the accuracy of financial information through oversight of management and approval of annual audited statements
- The board ensures management has put measures in place to ensure the integrity of internal controls

**d) Risk Identification and Oversight**

- The Board ensures that an appropriate risk management framework is developed and implemented for the organization.
- The board is responsible for being knowledgeable of the risks inherent in the organization's operations and ensuring that appropriate risk analysis is performed as part of board decision making
- The board oversees management's operational risk management strategies
- The board ensures that appropriate protocols and processes are in place to mitigate risk exposure
- The board is responsible for identifying unusual risks to the organization and for ensuring that there are plans in place to manage such risks
- The Board ensures that appropriate processes are in place to ensure compliance with legal requirements

**e) Oversight of Management including Selection, Supervision and Succession Planning for the Executive Director**

The board recruits and supervises the Executive Director by:

- Developing and approving the Executive Director job description
- Undertaking an Executive Director recruitment process and selecting the Executive Director
- Reviewing and approving the Executive Director's annual performance goals
- Reviewing the Executive Director's performance and determining the Executive

Director's compensation

- Ensuring succession plan strategies are in place for the Executive Director and senior management

**f) Ensuring Stakeholder Engagement and Accountability**

- The board ensures that it is aware of its key stakeholders and understands the organization's relationship with those stakeholders
- The board oversees the maintenance of positive stakeholder relationships
- The board plays an active role in advocacy efforts, fundraising activities and in ensuring government and other key stakeholders are aware of the services delivered by COTA Health, the organization's role in the community, as may be necessary to support of the mission, vision and strategic objectives of the organization
- The board ensures that staff, clients/families and other key stakeholders are consulted for their input during the organization's strategic plan development processes

**g) Communications**

- The Board recognizes the importance of effective communication with Cota's key stakeholders and oversees management's development and implementation of an annual communication strategy, per Gov. 1.13

**h) Governance**

The board is responsible for the quality of its own governance, including:

- Establishing governance structures to facilitate the board's role and enhance individual director performance
- The recruitment and maintenance of a skilled, experienced and qualified board
- Ongoing board training and education
- Assessing board functioning through annual reviews
- The board annually appoints its officers and committee chairs

**i) Legal**

- The board ensures that appropriate processes are in place to ensure compliance with legal requirements

<b>POLICY:</b> Duties and Expectations of Directors	<b>POLICY NUMBER:</b> GOV-1.2
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**Purpose**

The Corporation is committed to ensuring that it achieves standards of excellence in the quality of its governance and has adopted this policy describing the duties and expectations of directors.

**Application**

This policy applies to all elected and ex-officio directors and is provided to directors who may be recruited to serve interim appointments prior to being formally elected to serve a term at annual general meeting. An individual wishing to serve as a director of the organization must confirm that he/she will abide by this policy.

**Position Description – Director**

As a member of the board and in contributing to the collective achievement of the role of the board, the individual director is responsible for the following:

**a) *Fiduciary Duties***

Each director is responsible to act honestly, in good faith and in the best interests of the corporation and in so doing, to support the corporation in fulfilling its mission and discharging its accountabilities.

A director shall apply the level of skill and judgment that may reasonably be expected of a person with his or her knowledge and experience. Directors with special skill and knowledge are expected to apply that skill and knowledge to matters that come before the board.

**b) *Accountability***

A director’s fiduciary duties are owed to the organization. The director is not solely accountable to any special group or interest and shall act and make decisions that are in the best interest of the corporation, as a whole. A director shall be knowledgeable of the stakeholders to whom the corporation is accountable and shall appropriately take into account the interests of such stakeholders when making decisions as a director, but shall not prefer the interests of any one group if to do so would not be in the best interests of the corporation.

**c) *Education***

- A director shall be knowledgeable about:
- The Vision, Mission and Values of the organization

- The activities of the organization
- The organization's stakeholders
- The industry environment generally
- The duties and expectations of a director
- The board's governance role
- The board's governance structure and processes
- All board governance policies
- The corporation's by-laws

A director will participate in a board orientation session, orientation to committees, board retreats and board education sessions. A director should attend additional appropriate educational conferences in accordance with board approved policies.

**d) *Compliance with Board Policies and By-laws***

A director shall be knowledgeable of and comply will the by-law of the corporation and all board governance policies, including:

- The Board's Code of Conduct; and
- The Board's Conflict of Interest Policy; and
- The Board's Confidentiality Policy; and
- All other governing policies

**e) *Teamwork***

A director shall develop and maintain sound relations and work co-operatively and respectfully with the Board Chair, members of the board and senior management.

**f) *Community Representation and Support***

A director shall represent the organization in the community when asked to do so by the Board Chair.

**g) *Time and Commitment***

A director is expected to commit the time required to perform board and committee duties and attend scheduled meetings. Expectations regarding attendance are detailed in the *Board and Committee Meeting Attendance Policy*.

**h) *Contribution to Governance***

Directors are expected to make a contribution to the governance role of the board through:

- Reading materials in advance of meetings and coming prepared to contribute to the discussions;
- Offering constructive contributions to board and committee discussions;
- Contributing his or her special knowledge, expertise and skill;
- Ensuring that meeting minutes accurately reflect the business conducted and decisions made
- Voicing conflicting opinions during board and committee meetings but respecting the decision of the majority even when the director does not agree with it;

- Acknowledge that properly authorized board actions must be supported by all directors. The board speaks with one voice. Those directors who have abstained or voted against a motion must adhere to and support the decision of the majority of the directors;
- Respecting the role of the Board Chair and of Committee Chairs
- Ensuring that all decisions are made ethically; and
- Participating in annual board evaluations

**i) Continuous Improvement**

A director shall commit to be responsible for continuous self-improvement. A director shall receive and act upon the results of board evaluations in a positive and constructive manner.

**j) Fundraising**

A director shall assist, where appropriate, in the organizations fundraising strategies.

**Term and Renewal**

A director is elected for a term of two years, renewable twice and may therefore serve for a maximum of 6 years. A director's renewal is not automatic and shall depend on the director's performance.

**Reimbursement of Expenses**

All directors are eligible for reimbursement of reasonable expenses to ensure that they are not deterred from attending meetings of the board, its committees, or from representing COTA Health because of expenses that they may incur. Expenses that may be reimbursed are outline in the *Director Reimbursement of Expense Policy*.

**Removal of Directors**

Reasons for removal of directors may include:

- Any act which could prejudice the life, health, or safety of anyone associated with the organization
- Theft, damage or misuse of property belonging to staff or the organization
- Unauthorized disclosure of any confidential information pertaining to clients, staff or other COTA Health matters
- Making or publishing false, vicious or malicious statements concerning the organization or any person(s) associated with the organization
- Exercising or attempting to exercise individual authority over the organization, except as explicitly set forth in Board policies
- Failure to disclose conflicts of interest with respect to director fiduciary responsibilities
- Absenteeism from board and/or committee meetings, below the expected minimum attendance rate of 75% for each

<b>POLICY:</b> Board Accountability Statement	<b>POLICY NUMBER:</b> GOV-1.3
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 1
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

1. The COTA Health Board of Directors governs the Corporation in accordance with:
  - the Corporation’s vision, mission and values
  - the Corporation’s letters patent
  - By-law
  - Board policies
  - Not-For-Profit Corporations Act and other relevant laws
2. The Directors will make efforts to keep themselves aware of current mental health and community support services issues and trends and to adapt to changes as they arise.
3. The Directors act in the best interests of the Corporation in good faith and honestly, having regard for other stakeholders.
4. Board decisions are made by Directors exercising their discretion in a culture of open debate and with examination of relevant information
5. Directors will ensure that they do not place themselves in a position where they pursue personal interests that conflict with those of the Corporation.
6. The Board establishes and supports objectives that are within the capacity of the Corporation’s resources.
7. The Board will make efforts to ensure decision making will be open and transparent and that it acts in an accessible, clear and visible manner.
8. To guide the Directors in making decisions in the best interests of the Corporation, the Board has confirmed the following accountabilities:

To Members of the Board	For complying with By-law and applicable legislation as it governs the Corporation and for the achievement of the vision and mission in a manner consistent with the values
To staff	For fair, timely and transparent decision-making and effective leadership
To health care partners	For collaboration and cooperation
To funders	For meeting policy and performance obligations
To people who use mental health and community support services	For improvement of the mental health and community support services system

<b>POLICY:</b> Board Governing Documents and Structures Review Cycle	<b>POLICY NUMBER:</b> GOV-1.4
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

The purpose of this policy is to establish a time frame and process for review of documents and practices related to COTA Health’s By-law, Board Policies, and Governance Structures, including Officers, Board Committees and their mandates.

**OVERVIEW**

The Board of Directors is responsible for the quality of its own governance and thus believes periodic reviews of the COTA Health By-law, Board policies and governance structures should be carried out systematically. A periodic review will also ensure that the By-law, Board policies and governance structures continue to serve the needs of the corporation.

**POLICY**

1. The COTA Health Board will review the COTA Health By-law, Board Policies, and Governance Structures, including Board size and composition, Board Officers and Board Committees and Mandates based on the following timeline:

Item	Time Frame
By-law	Every 5 years (or earlier if required)
Board Policies	Every 5 years review entire Board Policy Manual (or earlier for individual policies, if necessary)
Governance Structures: <ul style="list-style-type: none"> <li>• Standing Committee Terms of Reference</li> <li>• Board size and Composition</li> <li>• Officers</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• At least every 5 years</li> <li>• Once every 5 years</li> </ul>

2. The Chair, Governance Committee will develop a work plan that outlines which governance documents and governance structures will be reviewed in the following board year and obtain Board approval at the October Board meeting.
3. The Governance Committee is responsible for carrying out the approved work plan and recommended changes to By-law, Board Policies and/or Governance Structure are approved by the Board.
4. In addition to the scheduled review a review may take place where there are circumstances that warrant such review (e.g. change in legislation).

## **GUIDE FOR PROCESS OF REVIEWING SIZE, COMPOSITION AND REPRESENTATION OF THE COTA HEALTH BOARD OF DIRECTORS**

1. Process to start after the approval of the COTA Health 2012-2015 Strategic Plan and at least every 5 years thereafter.
2. Led by the Governance Committee
3. Key questions to consider:
  - a. What does the board need to fulfill the COTA Health's Vision and Mission?
  - b. What does the board need to fulfill the new Strategic Directions?
  - c. What skills does the board need to meet its goals?
  - d. How would altering the board size affect its:
    - i. Culture
    - ii. Communication
    - iii. Work style
    - iv. Member representation
4. Recommendation to Board of Board Composition and Structuring Plan
5. Implementation of Board Composition and Structuring Plan (if changing)

<b>POLICY:</b> Code of Conduct	<b>POLICY NUMBER:</b> GOV-1.5
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

## **PURPOSE**

The Corporation is committed to ensuring that in all aspects of its affairs it maintains the highest standards of public trust and integrity and has adopted this policy to clarify the standards of conduct that are expected of Directors.

## **POLICY**

### **Directors' Duties**

All Directors stand in a fiduciary relationship to the Corporation. As fiduciaries, Directors must act honestly, in good faith, and in the best interests of the Corporation.

Directors will be held to strict standards of honesty, integrity and loyalty. A Director shall not put personal interests ahead of the best interests of the Corporation.

Directors must avoid situations where their personal interests will conflict with their duties to the Corporation. Directors must also avoid situations where their duties to the Corporation may conflict with duties owed elsewhere.

In addition, all Directors must respect the confidentiality of information about and from the Corporation.

### **Best Interests of the Corporation**

Directors must act solely in the best interests of the Corporation. All Directors are held to the same duties and standard of care and must act in the best interests of the Corporation, even if this conflicts with the interests of a particular group or organization.

### **Maintaining Confidentiality**

Every Director, officer and committee member of the Corporation shall respect the confidentiality of information about the Corporation whether that information is received in a meeting of the Board or of a committee or is otherwise provided to or obtained by the Director, officer, or committee member. Board and Committee members are required to adhere to the Board policy on *Confidentiality of Board Deliberations and Board Authorized Spokespersons*. It is expected that Directors maintain the confidentiality of this information while it is in their custody and control.

A Director is in breach of his or her duties with respect to confidentiality when information is used or disclosed for purposes other than those of the Corporation.

It is recognized that the role of Director may include representing the Corporation in the

community. However, such representations must be respectful of and consistent with the Director's duty of confidentiality and in accordance with the Board policy on *Confidentiality of Board Deliberations and Board Authorized Spokespersons*.

### **Respectful Conduct**

It is recognized that Directors bring to the Board diverse background, skills and experience. Directors will not always agree with one another on all issues. All debates shall take place in an atmosphere of mutual respect and courtesy.

The authority of the Chair must be respected by all Directors.

### **Corporate Obedience – Board Solidarity**

Directors acknowledge that properly authorized board actions must be supported by all Directors. The board speaks with one voice. Those Directors who have abstained or voted against a motion or voted for a motion that was defeated must adhere to and support the decision of the Board.

### **Obtaining Advice of Counsel**

Individual Directors and Committee members may request advice from external experts (e.g. legal or financial) at the expense of the Corporation. Such requests shall be made to the Chair who has sole authority to determine disposition of the request.

### **APPLICATION**

All Directors, including ex-officio Directors, and non-Board members of Board Standing Committees shall comply with this policy.

<b>POLICY:</b> Respect for Diversity and Anti-discrimination	<b>POLICY NUMBER:</b> GOV-1.6
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 1
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

COTA Health recognizes the diversity of its staff, self-employed service providers, volunteers, students and the community it serves. COTA Health is committed to creating an inclusive organization in which values, behaviours, systems and structures are in place to facilitate equal access to service and employment.

In keeping with our mission, vision and values, the Ontario Human Rights Code, the Canadian Charter of Rights and Freedoms, COTA Health prohibits discrimination and harassment and protects the right of every person to be free of hate activity, based on age, ancestry, citizenship, creed (religion), colour, disability, ethnic origin, family status, gender identity, level of literacy, marital status, place of origin, membership in a union or staff association, political affiliation, race, receipt of public assistance, record of offences, sex, sexual orientation or any other personal characteristics, by or within the organization.

COTA Health is committed to strive towards establishing and maintaining a Board, Board Committees, volunteers and a workforce whose composition adequately reflects the diversity of the communities and populations we serve.

COTA Health is committed to:

- the provision of services that recognize and respond to the diversity of the populations and communities we serve and which seek to address the discrimination, health care access disparities, and systemic oppression that many in our community face
- the design, implementation and evaluation of client services in which clients from diverse groups participate
- include persons from diverse backgrounds in the organization’s strategic planning and decision-making processes
- policies and practices which are fair and equitable, including access to our services and employment practices
- the development of board, staff, self-employed service providers, students, volunteers to contribute to an employment and service environment which respects and values all people

<b>POLICY:</b> Individual Director Accountability Statements and Declarations	<b>POLICY NUMBER:</b> GOV-1.7
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 1
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**POLICY**

COTA Health Board members are required sign a number of accountability statements in order to maintain their standing on the Board.

**PROCEDURE**

Each director must sign all accountability statements and declaration forms upon becoming a Director and annually thereafter, no later than October 31<sup>st</sup> of each calendar year. These statements and declarations include, but may not be limited to:

- A declaration that confirming that he/she has read, understood and is bound to adhere to COTA Health’s B-Law and Board Policies
- A pledge of confidentiality
- A conflict of interest declaration
- A bankruptcy declaration
- A tax compliance declaration

Signed forms will be kept by the Board secretary or his/her designate.

<b>POLICY:</b> Role of the Board Chair	<b>POLICY NUMBER:</b> GOV-1.8
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**Purpose**

To ensure that the board has a shared understanding of the role of the Chair, the board has adopted this Policy on the Chair's Roles and Responsibilities.

**Role of the Chair**

The board chair is the leader of the board. The board chair is responsible for:

- Ensuring the integrity and effectiveness of the board's governance role and processes.
- Presiding at meetings of the board and members.
- Representing the board within the organization and the organization to its stakeholders.
- Maintaining effective relationships with board members, management and stakeholders.

The Chair is an ex-officio member of all standing and other committees of the Board.

**Responsibilities**

The board chair is responsible for the following:

**a) Board Governance**

The board chair ensures the board meets its obligations and fulfills its governance responsibilities. The board chair oversees the quality of the board's governance processes including:

- Ensuring that the board performs a governance role that respects and understands the role of management.
- Ensuring that the board adopts an annual workplan that is consistent with the organization's strategic directions, mission and vision.
- Ensuring that the work of the board committees is aligned with the board's role and annual work plan and that the board respects and understands the role of board committees and does not redo committee work at the board level.
- Ensuring board succession by ensuring there are processes in place to recruit, select and train Directors with the skills, experience, background and personal qualities required for effective board governance.
- Ensuring that the board and individual directors have access to appropriate education.
- On recommendation from the Governance Committee, appointing chairs of Committees of the Board
- Naming Directors to committees not otherwise provided for in the organization's By-Law
- Ensuring there is a board evaluation processes and providing constructive feedback to

individual committee chairs and board members as required.

- Ensuring that the board's governance structures and processes are reviewed, evaluated, and revised from time to time.

#### **b) Presiding Officer**

The chair is the presiding officer at board and members' meetings. As the presiding officer at board and member meetings, the chair is responsible for:

- Setting agendas for board meetings and ensuring matters dealt with at board meetings appropriately reflect the board's role and annual work plan.
- Ensuring that meetings are conducted according to applicable legislation, the by-law and the board's governance policies and Rules of Order.
- Facilitating and forwarding the business of the board, including preserving order at board meetings.
- Encouraging input and ensuring that the board hears both sides of a debate or discussion.
- Encouraging all directors to participate
- Facilitating the board in reaching consensus.
- Ensuring relevant information is made available to the board in a timely manner and that external advisors are available to assist the board as required.
- Ruling on procedural matters during meetings.
- Ensuring board and committee meetings are an effective use of board members time.

#### **c) Representation**

- The chair is the official spokesperson for the board.
- The chair represents the organization in the community and to its various stakeholders.
- The chair reports on behalf of the board to members at each annual general meeting.
- The chair represents the board within the organization attending and participating in events as required.
- The chair represents the board in dealings with government and regulatory authorities, as required.

#### **d) Relationships with Directors**

- The board chair facilitates relationships with, and communication among, board members and between board members and the Executive Director.
- The chair provides assistance and advice to committee chairs to ensure committee chairs understand board expectations and have the resources that are required for performance of their Terms of Reference.

#### **e) Relationships with Executive Director**

- The chair maintains a constructive working relationship with the Executive Director providing advice and counsel as required, including:
  - The chair works with the Executive Director to ensure he or she understands board expectations.
  - The chair ensures that Executive Director annual performance objectives are

established and an annual evaluation of the Executive Director is performed.

**f) Other Duties**

- The chair performs such other duties as the board determines from time to time.

**Delegation**

The board chair may delegate any of his or her responsibilities to another director or committee of the board.

**Skills and Qualifications**

The board chair will possess the following personal qualities, skills, and experience:

- All of the personal qualifications required of a board member
- Proven leadership skills
- Good strategic and facilitation skills, ability to influence and achieve consensus
- Act impartially and without bias
- Tact and diplomacy
- Powerful communicator
- Political acuity
- Must have the time to continue the legacy of building strong relationships between the organization and stakeholders
- Ability to establish trusted advisor relationship with Executive Director and other board members
- Governance and board level experience in the relevant sector
- Outstanding record of achievement in one or several areas of skills and experience used to select board members

**Term**

The board chair will serve an initial term of two years, renewable for an additional term of two year(s) at the discretion of the board.

<b>POLICY:</b> Confidentiality of Board Deliberations and Board Authorized Spokespersons	<b>POLICY NUMBER:</b> GOV-1.9
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

The purpose of this policy is to ensure that confidential matters are only disclosed in the manner approved by the Board.

**APPLICATION**

This policy applies to members of the Board of Directors and its Standing and Special Committees.

**POLICY**

Board and Committee members owe the Corporation a duty of confidence. All matters before the Board or its Standing or Special Committees, or that otherwise are received by a Board or Committee member in his or her capacity as a Board or Committee member, are to be treated as confidential and are not subject to disclosure by that Board or Committee member, unless authorized by the Board.

**Board Spokespersons**

The Executive Director and the Chair of the Board, or their delegate, shall act as the authorized spokespersons for the Corporation and the Board. Media contact and responses, and public discussion of the Corporation’s affairs, shall only be made through the Board’s authorized spokespersons. A Director shall not make any statement to the media or the public in his or her capacity as a Director unless such statement has been authorized by the Board or one of its authorized spokespersons.

**Materials**

Board and Committee members will be provided with materials to inform participation in Board and committee deliberations. These confidential materials are provided to enable the governance of the Corporation and remain property of the Corporation. Materials may be provided directly to Board and Committee members through delivery of paper materials, electronic mail transmission, or by way of posting on the Corporation’s website for viewing or downloading. Board and Committee members are expected to maintain the confidentiality of these materials while in their custody and control.

Board and Committee members will securely and permanently dispose of any and all materials provided to them in the course of their tenure. Materials means documents, reports, presentations, and other printed and electronic resources provided by the Corporation. Board and Committee members may return their materials to the Office of the Executive Director for secure disposition.

Board and Committee members will normally securely dispose of their materials immediately following the meeting for which the material was provided. Board and Committee members may leave their materials at the meeting site for secure disposal (e.g. shredding) by the Office of the Executive Director. If Board and Committee members decide to take materials with them, the Board or Committee member will dispose of the materials in a manner that is complete, permanent and secure.

The Chair of the Board and the Chairs of Committees may retain materials for reference for one year after the meeting date. Those materials may also be returned to the Office of the Corporation's Executive Director for disposal. Chairs may also decide to dispose of those materials personally and will ensure such disposal is complete, permanent and secure.

Board and Committee members shall ensure complete, permanent and secure disposal of all notes made throughout review and discussion of the materials.

### **Deliberations**

All matters that are the subject of a session of the Board that is open to Members are not confidential. Matters discussed at all other sessions of the Board should be considered confidential unless Directors are expressly told otherwise.

All matters discussed in closed (*in camera*) sessions of the Board are confidential until disclosed in a session of the Board that is open to Members or until such time as the authorized Board spokespersons determine that that information can be made public.

All matters that are before a Standing or Special Committee of the Board are confidential unless they have been determined not to be confidential by the Chair of the relevant Standing or Special Committee.

### **Procedure for Maintaining Minutes**

All minutes of meetings of the Board, Standing or Special Committees shall be marked confidential and handled in a secure manner.

The Secretary is responsible for the production, circulation and safeguarding of the official minutes of the Corporation. The Secretary may delegate these duties to other properly qualified persons.

The Secretary may issue certified copies of resolutions contained therein, under the seal of the Corporation, as may be required, either prior to or after verification.

Minutes of meetings of the Board shall be recorded by the Secretary or delegate or, if the Secretary or delegate is not present, by a Director designated by the Chair.

Minutes will be presented for verification to a subsequent meeting of the Board.

Minutes of a closed (*in camera*) meeting or session of the Board shall be presented for verification at an *in camera* session of the Board at a subsequent meeting.

After verification, minutes will be signed by the person who presided at the meeting and by the Secretary.

When a meeting to verify the minutes of the previous meeting will not occur for a period of six months or more from the previous meeting, the Chair or presiding officer or the Secretary may circulate the minutes in question as the “official minutes, subject to verification” if necessary, and subject to consultation with legal counsel.

The master signed copy of the minutes shall be retained in the Office of the Corporation’s Executive Director, where they may be examined by any authorized person during normal business hours.

<b>POLICY:</b> Board Expense Reimbursement	<b>POLICY NUMBER:</b> GOV-1.10
<b>SOURCE:</b> Board of Directors	<b>PAGE (S):</b> 1 of 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

The purpose of this policy is to set out guidelines and procedures concerning reimbursement of reasonable travel and related expenses incurred by Directors while on COTA Health business.

**POLICY**

All members of the Board, its Committees and Community Members are entitled to be reimbursed for appropriate and reasonable expenses to ensure that they are not deterred from attending meetings of the Board, its committees, or from representing COTA Health because of expenses they may incur.

Directors are expected to file expense claims for eligible out-of-pocket expenses that they incur while on COTA Health business.

The corporation will reimburse for expenses relating to the following categories:

- Travel and related costs incurred by Directors to attend Board and Board committee meetings, and other related COTA Health business.
- Costs incurred by Directors when officially representing the COTA Health, at the request of the Chair or Executive Director, at meetings or other public events, where formal representation by the corporation is required.
- Costs incurred by Directors to attend or participate in any conference for which a Director receives pre-approval from the Office of the Executive Director to attend at the corporation's expense.
- Other expenses with prior approval of the Chair, or if expenses are the Chair's expenses, with the Vice Chair's approval.

Board members are expected to exercise due diligence when making travel arrangements and incurring expenses for travel and meals in connection with their activities relating to the corporation. Expenses should enable the Director to complete corporation business with reasonable cost to the corporation, consistent with the least amount of interruption to the Director's regular business and personal schedules.

Costs related to others travelling with the Director (e.g. spouse, child) are not eligible for reimbursement by COTA Health.

Specific policies relating to expenses are as follows and any exceptions to these policies must be deemed appropriate and approved by the Chair (or the Vice Chair in the case of the Chair).

**Meals**

COTA Health will reimburse a Director's reasonable out-of-pocket costs for personal meals,

including reasonable gratuities. Claims for meals for persons other than the claimant, or for group meals, should bear a beneficial relationship to the business of COTA Health. Claim forms should include names and particulars of all participants. Claims must include original, itemized receipts and reimbursement shall not exceed the total amount (including taxes and gratuities) as validated by the receipt.

Expense claims for the consumption of alcohol while on COTA Health business will not be reimbursed, unless allowable under the hospitality provisions of this policy.

### ***Transportation***

The mode of transportation chosen (air, train, TTC, taxi, or car) should be that which enables the Director to attend to COTA Health business with the least cost to the corporation and the least disruption to the Director's regular business and personal schedule, including consideration of time away from workplace.

Directors will be reimbursed for economy airfare or business rail fare, in addition to the costs of local transportation to and from terminals. Where possible, travel arrangements shall be made in advance to obtain discounted fares. The boarding pass or ticket/e-ticket for each segment of travel shall be attached to the expense claim form.

If travel is by personal car, the corporation will reimburse the Director at the current kilometric rate specified by COTA Health. The expense claim shall include the nature of business conducted, including the destination of each separate journey. COTA Health assumes no financial responsibility for damage or other claims as a result of using a personal vehicle for corporation business. Reimbursement shall be provided for parking charges and reasonable use of toll highways. Receipts for parking charges and applicable bridge or highway tolls must be submitted with the expense claim. For transportation, where there is no receipt, e.g., TTC, a note indicating the amount of expense will suffice.

COTA Health will reimburse taxi and other local transportation service to and from air or train terminals and other trips required in the course of performing corporation business.

### ***Accommodation***

COTA Health will reimburse accommodation costs for Directors who need to travel the day before a meeting or event. In addition, accommodation will be reimbursed for the night following the meeting or event, if travel home is impractical. Standard tips and gratuities are reimbursable and shall be identified as such on the expense report. All efforts should be made to keep expenses reasonable and best efforts should be made to reduce expenses where possible. Where possible with respect to hotels, rooms should be booked by COTA Health on behalf of the Board Member. If the Board Member wishes to book themselves, COTA Health will reimburse a maximum of \$200.00 per night.

When travelling on COTA Health business, reasonable charges for long distance calls to home or workplace, computer access, internet connections, facsimile and related services are reimbursable and shall be identified as such on the expense report, if not already itemized on a hotel receipt.

### ***Hospitality***

Hospitality is the reimbursement of persons who are not employed by the corporation for food, beverage, accommodation, transportation and other amenities when engaged in COTA

Health business.

Hospitality should be extended in an economical, consistent and appropriate way when it will facilitate COTA Health business or is considered desirable as a matter of courtesy.

Hospitality may be extended on behalf of COTA Health when:

- a) Engaging representatives of government, the broader public sector, industry, public interest groups or unions in discussion on COTA Health matters;
- b) Providing persons from national or international organizations and charitable organizations with an understanding and appreciation of the mental health and community services sector or the workings of the corporation.
- c) Sponsoring formal conferences for representatives of mental health or community service provider organizations, or for government, business or labour groups;
- d) Honouring distinguished persons from the mental health and community services sector in recognition of exceptional public service;
- e) Conducting prestigious ceremonies that are attended by government, distinguished persons from the private sector, and/or distinguished persons from the public sector.

Directors must take care to avoid potential conflicts of interest in the provision of hospitality.

The provision of alcohol as part of hospitality should be limited to meals and receptions. Where alcohol is provided, appropriate measures should be taken to ensure a reasonable limit is placed on the quantity and cost of alcohol. COTA Health may also choose not to provide alcoholic beverages or to limit the number of beverages.

Claims for reimbursement of hospitality expenses must include original, itemized receipts and reimbursement shall not exceed the total amount (including taxes and gratuities) as validated by the receipt. The names of the participants in the hospitality activity must be submitted with the claim.

### ***Non-redeemable Expenses***

As a guideline, the following expenses are considered personal and are not normally reimbursable:

- a) Recreational purposes (e.g. video/pay channel rentals, mini-bars, special facility charges, entertainment not directly related to COTA Health business, etc.).
- b) Laundry and valet services (unless away for a prolonged period)
- c) Sports facilities and recreational expenses.
- d) Traffic and parking violations and other expenses resulting from unlawful conduct.

COTA Health's Office of the Executive Director will query expense reports that include amounts claimed relating to the above items; and this will delay the processing of the expense claim.

## **PROCESS**

All expense forms must be properly completed and appropriately supported by original, itemized receipts. Original receipts showing the establishment's HST registration number must be submitted for hotels, rail, ground and air transportation, car rentals, airport taxis, meal expenses and parking. Where receipts are not available, Directors are expected to account in reasonable detail for the various expenditures incurred and state the reason why receipts are not available.

Directors should submit to the Office of the Executive Director an original signed expense form with accompanying receipts within five business days of the trip or by the end of the month in which the trip occurred. Following approval by the Executive Director's Office, the expense form will be processed by the corporation.

Normally five working days are allowed for processing from the date of approval of the expense form. Incomplete information, receipts or errors delay the issuance of cheques.

COTA Health staff will review each Director's expenses twice a year on a six-month basis. Where a Director's expenses appear unreasonable, taking under consideration the individual Director's circumstances, staff will advise the Executive Director who will review the expenses and may advise the Chair (or Vice Chair in the case of the Chair) concerning the Director's expenses. Where the Director's expenses are unreasonable, the Chair (or Vice Chair in the case of the Chair) has the discretion to place limitations on a Director's reimbursable expenses or require a Director to receive pre-approval for expenses.

Breaches of Duty	
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

All Directors have a duty to ensure that the trust and confidence of the public in the integrity of the decision making processes of the Board is maintained by ensuring that they, other members of the Board, Non-Board Committee Members and employees who have the capacity to influence the decisions of the Board are free from conflict or potential conflict in their decision-making. It is important that all directors understand their obligations when a conflict of interest or potential conflicting interest arises.

**APPLICATION**

This policy applies to members of the Board of Directors (including *ex-officio* directors), all Non-Board Members of Standing and Special Committees and employees who have the capacity to influence the decisions of the Board.

**POLICY**

Directors owe the Corporation a fiduciary duty to act solely in the best interests of the Corporation. Directors, and members of Board committees who are not Directors, shall avoid situations in which they may be in a position of conflict of interest. The COTA Health By-law contains provisions with respect to conflict of interest that must be strictly adhered to. In addition to the By-law, the process set out in this policy shall be followed when a conflict or potential conflict arises.

**Description of Conflict of Interest**

A conflict of interest is generally a situation in which members of the Board, Non-Board Members of committees and employees having capacity to influence may have other commitments, relationships or financial interests that could be:

- Seen to interfere with the impartial, unbiased, objective exercise of judgment in relation to decisions affecting the strategic planning, governance and/or operations of COTA Health
- Seen to compromise, impair or be incompatible with the obligation to ensure COTA Health’s effective performance in meeting the terms of accountability requirements within the various agreements/contracts we hold with our funders (e.g., Central LHIN M-SAA)

While the situations in which potential conflict of interest may arise cannot be exhaustively set out, conflicts generally arise in the following scenarios:

1. Interest of a Director – ‘wearing two hats’: When a director, non-board committee member, or, an employee of the corporation transacts with the corporation directly or

indirectly. When any of these persons has a significant direct or indirect interest in a transaction or contract with the corporation.

2. Interest of a Relative: When the corporation conducts business with suppliers of goods or services or any other party of which a relative or member of the household of a director, non-board committee.
3. Gifts: When a director, non-board committee member, or, an employee with the capacity to influence decisions or members of their respective households accepts gifts, payments, services or anything else of more than a token or nominal value from a party with whom the corporation may transact business (including a supplier of goods and services) for the purposes of (or that may be perceived to be for the purposes of) influencing and act or decision of the Board.
4. Acting for an Improper Purpose: When a director, non-board committee member, or, an employee with the capacity to influence decisions exercise their powers in a manner motivated by self-interest or other purposes. All must act in the sole interest of the corporation. Directors, non-board committee members, or, employees with the capacity to influence decisions who may have been nominated by a particular group must act in the best interest of the corporation, even if this conflicts with the interest of the nominating party.
5. Appropriation of Corporate Opportunity: When a director, non-board committee member, or, an employee with the capacity to influence decisions diverts to his or her own use an opportunity or advantage that belongs to the corporation.
6. Duty to Disclose Information of Value to the Corporation: When a director, non-board committee member, or, an employee with the capacity to influence decisions fails to disclose information that is relevant to a vital aspect of the corporation's affairs.
7. Access to Insider Information: When, to obtain a benefit for himself or herself, a Director offers or is perceived to offer access to COTA Health information for the benefit of another individual or organization.

**Abstain from Discussions:**

A Director shall not be present during the discussion of the matter in which he or she has a conflict and will not be counted in the quorum concerning any resolution or vote relating to the matter. The Director shall not vote on the matter nor attempt in any way to influence the voting on the matter. The Director will not be involved in any way in negotiations or other discussions on behalf of the Corporation concerning the matter.

**PROCESS FOR DISCLOSURE OF CONFLICTS AND ADDRESSING BREACHES OF**

## **DUTY**

### **Disclosure of Conflicts**

A Director who is in a position of conflict or potential conflict shall immediately disclose such conflict to the Board by notification to the Chair or Vice Chair of the Board. The disclosure shall be sufficient to disclose the nature and extent of the Director's interest. Disclosure shall be made at the earliest possible time and before any discussion and vote on the matter. Every declaration of a conflict of interest at a meeting of the Board or committee of the Board will be recorded in the minutes of the meeting. The nature of the conflict will be included in the minutes.

### **Addressing Breaches of Duty**

All Directors shall comply with the requirements of the Corporation's By-law and Board policies. It is acknowledged that not all conflicts or potential conflicts may be satisfactorily resolved by strict compliance with the By-law and Board policies. There may be cases where the perception of a conflict of interest or breach of duty may be harmful to the Corporation notwithstanding that there has been compliance with the By-law and Board policies.

A Director may be referred to the process outlined below in any of the following circumstances:

- *Circumstances for Referral*

Where any Director believes that he or she or another Director:

- (i) has breached his or her duties to the Corporation;
- (ii) is in a position where there is a potential breach of duty to the Corporation; or
- (iii) is in a situation of actual or potential conflict of interest; or
- (iv) has behaved or is likely to behave in a manner that is not consistent with the highest standards of public trust and integrity and such behaviour may have an adverse impact on the Corporation.

- *Process for Resolution*

The following process will apply:

- (i) the matter will be referred to the Chair, or where the issue may involve the Chair, to the Vice Chair;
- (ii) the Chair (or Vice Chair as the case may be) may attempt to resolve the matter informally;
- (iii) if the matter cannot be informally resolved to the satisfaction of the Chair (or Vice Chair as the case may be), the Director referring the matter and the Director involved, then the Chair shall refer the matter to: (i) an existing standing committee of the Board; or (ii) an ad hoc sub-committee of the Board established by the Chair (or Vice Chair as the case may be) which sub-committee shall report to the Board.

If a conflict, or other matter referred, cannot be resolved to the satisfaction of the Board (by simple majority resolution) or if a breach of duty has occurred, a Director may be asked to resign or may be subject to removal pursuant to the By-law and the *Not-For-Profit*



<b>POLICY:</b> Board Evaluation Process	<b>POLICY NUMBER:</b> GOV-1.12
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

The purpose of ongoing evaluation is to ensure the maintenance and improvement of governance processes.

**POLICY**

The Board will evaluate annually effectiveness of the Board as a whole, its Standing Committees and its individual directors. Meeting evaluations will be conducted for Board, Standing Committees, planning sessions and board orientation as determined from time to time.

At the call of the Chair, and where there is a significant board behaviour issue, an outside evaluation and evaluator will be considered.

Each Board member is responsible to contribute to the quality of board governance and to participate in the Board evaluation processes.

**PROCESS**

*Board Annual Evaluation Process*

1. The Governance Committee of the Board will prepare annually a questionnaire for each Director to complete to evaluate the performance of the Board as a whole. The purpose of the questionnaire is to ensure the maintenance and improvement of governance processes.
2. The Board Secretary will collate the results of the questionnaire and forward a report to the Chair.
3. The Chair may conduct separate interviews with each or any director to discuss the results of the evaluation.
4. The Chair may report to the Governance Committee concerning the results of the evaluation. If the Chair does not provide a report to the Governance Committee, the results of the evaluation will go directly to the Governance Committee.
5. The Governance Committee will ensure that the results of the evaluation are presented to the Board.
6. The Governance Committee will develop a workplan based on the survey results to ensure any areas for improvement are acted upon and reported to the Board.

7. The completed questionnaires will be destroyed after the results of the evaluation are presented to the Board.

#### *Board Chair Evaluation Process*

1. The Governance Committee of the Board will prepare annually a questionnaire for each Director to complete to evaluate the performance of the Chair. The purpose of the questionnaire is to ensure the Board Chair is aware of his/her effectiveness and for purposes of self-improvement.
2. The Board Secretary will collate the results of the questionnaire and forward a report to the Chair and Vice Chair. The Board Secretary will collate any comments and suggestions relating to the Chair and forward them to the Chair and Vice Chair without attribution to any Director.
3. The Vice Chair may conduct an interview with the Chair to discuss the results of the Chair's evaluation.
4. The Chair will ensure the results are provided to the Governance Committee. If the Chair does not provide a report to the Governance Committee, the results of the evaluation will go directly to the Governance Committee.
5. The Governance Committee will ensure that a report on the process is presented to the Board.
6. The completed questionnaires will be destroyed after the results of the evaluation are presented to the Board.

#### *Director Self-Assessment Process*

1. The Governance Committee of the Board will prepare annually a questionnaire for each Director to assess his or her own performance and contributions to the Board. The purpose of the questionnaire is to improve the overall performance of the Board by assisting individual Directors to improve their performance and assess their need for education. This questionnaire may be combined with the Board evaluation questionnaire.
2. The Board Secretary will collect the results of the questionnaires and forward them to the Chair. The Chair may conduct separate interviews with each or any Director to discuss the results of the Director's evaluation. The Vice Chair may conduct an interview with the Chair to discuss the results of the Chair's evaluation.
3. The completed questionnaires will be destroyed after completion of the interviews.

#### *Committee Evaluation Process*

1. The Governance Committee of the Board will prepare annually a questionnaire for each Director to complete to evaluate the performance of all Board Standing Committees of which they are a member. The purpose of the questionnaire is to ensure the maintenance and improvement of governance processes.
2. The Board Secretary will collate the results of the questionnaire for each Board

Standing Committee and forward a report to the Board Chair. The Board Secretary will collate any comments and suggestions relating to the Board Chair and forward them to the Chair without attribution to any director.

3. The Chair may conduct separate interviews with each or any Director to discuss the results of the evaluation.
4. The Board Chair will report to the Chair of each Standing Committee concerning the results of their evaluation.
5. The Governance Committee will ensure that the results of the evaluation are presented to the Board.
6. Each Standing Committee will develop a work plan based on the questionnaire results for their Committee to ensure any areas for improvement are acted upon and reported to the Board.
7. The completed questionnaires will be destroyed after the results of the evaluation are presented to the Board.

*Board Evaluation Process Overview*

Evaluation	Purpose	Completed By	Frequency of Completion	Results Evaluated By	Action and Timeline
Orientation	To assess and improve board orientation program	Attendees at orientation	After new directors have been selected	Board Governance Committee	Review and revise orientation program prior to next year's orientation
Board Planning Sessions	To assess and improve board planning sessions	Attendees at board planning session	At the end of each board planning session	Chair / ED / Board Secretary	Provide input into the next board planning session
Board Meeting	Improve meeting performance	Directors	At the end of the meeting – periodically throughout the year	Chair / ED / Board Secretary	Periodic review of results reported to board and taken into account in agenda development and meeting processes as determined.
Board	Improve board performance	Board	Annually	Board Chair & Governance Committee	Governance Committee makes report and recommendations to the board.
Individual Director	Self-improvement; renewal of terms	Directors on the board	Annually	Board Chair	Chair communicates to board member.

Committee Member	Self-improvement; renewal of term	Committee member	Annually	Governance Committee and reported to Board Chair	Board chair provides results to committee member. Governance Committee considers results in recommending committee members.
Chair	Self-improvement	Chair and directors	Annually	Governance Committee	Chair of governance committee meets with board chair.
Committee Chair	Self-improvement; renewal of term	Committee Chair; Committee Members	Annually	Chair of Governance Committee or Board Chair	Governance Committee chair or board chair meets with the committee chair, considered by Governance Committee in making recommendations for committee chairs.
Committee	Improvement Revise or reconfirm committees existence and Terms of reference To evaluate and recommend new or continuing committee member	Board	Annually	Board Chair / Board Governance Committee	Considered by Governance Committee in making recommendations regarding committee's Terms of Reference.

- Board, Individual Director, Board Chair; Committee, Individual Committee Member, Committee Chair are evaluated through one evaluation survey completed annually.
- All other evaluations are completed as required.

<b>POLICY:</b> Communications Plan	<b>POLICY NUMBER:</b> GOV-1.13
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 1
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018

**Purpose:**

The Board recognizes the strategic importance of effectively communicating with key stakeholders. That is why it is committed to overseeing that management establish, implement and regularly evaluate a communication plan for the organization that enables clear and consistent messaging as well as open, two-way communication among the organization, its stakeholders, and the community.

**Policy:**

Cota’s Board works with management to establish implement and evaluate a communications plan for the organization. Annually, in Q1, management prepares a communications plan, for review and endorsement of the Board, aimed at enhancing Cota’s social and digital media impact, driving uptake of Cota’s thought leadership, and ensuring corporate communications are fully aligned with broader advocacy and government relations strategies.

The following are key elements of a communication plan that would align with the expectations of the Board:

1. Stakeholders: Identify key internal and external stakeholders. Internal stakeholders should include staff at all locations, the Board and any other volunteers. External stakeholders may include clients and their families, funders (LHINs, City of Toronto, etc.), partners such as other service providers, media, the community, etc. The plan(s) for key stakeholders should include the type of information shared, how and with whom, and the goals of sharing information.
2. Objectives: Establish communication goals that clearly set out shared expectations between the Board and Management for engaging different stakeholders. Key areas for communication may include the goals and objectives of the strategic plan and progress made in achieving those goals; decisions that affect the day-to-day operations of the organization or how services are delivered; changes in the external environment that impact the organization’s services or create risk or opportunities; changes in its own structure or operations and significant accomplishments. Plans should be reasonably flexible to allow for necessary changes.
3. Vehicles for communication: Identify and regularly evaluate the vehicles for communicating with different stakeholders (e.g., internal newsletter, annual report, social media, etc.). Management is trusted to choose the vehicle(s) of communication most appropriate for the message and audience.
4. Evaluation: Ensure that there is a mechanism in place to measure communications activity.
5. Board of Directors: Communicate decisions and accomplishments of the Board with key stakeholders when it is reasonable to do so. For example, the annual report should include a message from the Board highlighting significant accomplishments of the Board in its support of Cota achieving its goals.

<b>POLICY:</b> Commitment to Client/Family Engagement	<b>POLICY NUMBER:</b> GOV-1.14
<b>SOURCE:</b> Executive Director	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> November, 2018 (O)

**POLICY:**

Cota Board of Directors (the Board) views clients and their families as essential partners in Cota’s service planning, delivery and evaluation. As such, the Board is committed to ensuring the that the organization actively engages with clients and their families to seek their input, advice and feedback relating to matters including but not necessarily limited to:

- New Service Planning
- Direct Care/Service Delivery Approaches
- Program Evaluation and Quality Improvement Initiatives
- Cota’s Strategic Planning processes

This policy outlines the definitions, processes and key roles for ensuring that the Board’s commitment to Client and Family-Centred Care is fulfilled.

**DEFINITIONS:**

Client:

The recipient of care and services.

Family:

Person or persons who are related in any way (biologically, legally, or emotionally), including immediate relatives and other individuals in the client’s support network. Family includes a client’s extended family, partners, friends, advocates, guardians, and other individuals. The client defines the makeup of their family, and has the right to include or redefine the makeup of their family over time.

Client and Family-Centred Care:

The overall philosophy and approach that ensures that everything that we do clinically or operationally is based on client-family needs and preferences.

Client and Family Engagement:

The way in which individual service providers and/or organizations solicit client and family needs, opinions and preferences to ensure they are delivering client and family-centred care. Engagement with clients and families can be facilitated through a variety of means, including but not necessarily limited to:

- a) Consultation in the form of focus groups, surveys, etc.
- b) Direct involvement on advisory panels, task groups, etc.

- c) Partnership in the form of shared leadership roles such a co-leading a project or committee or through equal representation and voting rights on project task forces or committees

## **PROCESSES TO SUPPORT CLIENT AND FAMILY ENGAGEMENT:**

To achieve the vision of clients as active partners in Cota's service planning, delivery and evaluation, it is imperative that clients and families are actively engaged and provided with the opportunity to share their voices and opinions regarding key Cota matters, including but not necessarily limited to

- a) New service planning and design considerations such as proposals relating to new services or service expansions, the development of new service level policies and/or program guidelines, hours of service delivery for new services, staff qualifications, recruitment and training requirements for new services, new service site space design considerations, etc.
- b) Direct care/service delivery matters such as approaches collaborative goal setting and shared decision making as it relates to their goal setting and support arrangements, potential changes to existing service mandates, service locations, service site designs, hours of operation, staffing levels, hiring and training and/or service level policies and guidelines, etc.
- c) Service evaluation approaches, critical incident reviews, risk/safety assessments and quality improvement initiatives
- d) Cota's future Strategic Plan development processes

Client and family engagement, as related to the activities listed above, may be facilitated through variety of means such as focus groups, surveys, or through direct participation in task forces, committees, advisory councils, etc.

## **KEY ROLES:**

The Board of Directors and Senior Management Team will work together to:

- Create an organizational culture to support the implementation strategies, spread, and success of client and family engagement
- Ensure an internal senior management lead, or other designate, is assigned as the internal champion for developing, implementing, overseeing and regularly reporting back to the Board of Directors, via the Board's Quality & Performance Committee, on Cota's progress in relation to client and family-centred care efforts, and when/where appropriate to Cota staff and other stakeholders
- Actively support and foster the development and implementation of a standing Client and Family Advisory Council and to ensure that representatives of the Board actively participate/liaise with this council
- Allocate resources, as may be necessary and possible, to support staff training in relation to client and family-centred care and/or engagement activities such as client and family participation on/in committees, task forces, focus groups, surveys, etc.
- Seek to identify and remove barriers to effective client and family engagement.
- Incorporate the principles of client and family engagement into service planning, service delivery, service evaluation, strategic planning and other key aspects of Cota's operations and governance processes.
- Ensure that persons with lived experience and/or their family members are intentionally recruited as Directors to Cota's Board of Directors.

<b>POLICY:</b> Types of Meetings of Directors	<b>POLICY NUMBER:</b> GOV-2.1
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018 (R) September, 2014

**Purpose**

The purpose of this policy is to clarify the types of meetings of Directors and ensure the Board is able to exercise independent oversight of management build relationships of confidence and cohesion among Board members.

**Types of Meetings**

There are three types of meetings that the Board of Directors may hold: open board meetings, closed or in camera board meetings, or meetings without management.

**Open Board Meetings**

The public and staff are welcome to observe the open portion of the Board’s meetings to ensure the corporation maintains a close relationship with stakeholders and generate trust openness and accountability

Members of the public are invited to attend the meetings of the Board in accordance with the following policy:

- A schedule of the dates, locations and times of the Board’s regular meetings will be available from the Executive Director’s office and will be posted on the COTA Health’s website. Changes in the schedule will be posted on the website, as needed.
- Members of the public may be asked to identify themselves. Members of the public are prohibited from using recording devices, videotaping or photography during Board meetings.
- Agendas will be distributed at the meeting and may be obtained from the Board Secretary prior to the meeting. Supporting materials will be distributed only to the Board and Senior staff.

**Closed (In-Camera) Board Meetings**

The Board may move closed meeting or hold special meetings that are not open to the public where it determines it is in the best interest of the corporation to do so. The chair may also order that the meeting move into a closed session or, any director may request a matter be dealt with in a closed session, in which case a vote will be taken and, if a majority of the Board decides, the matter shall be dealt with in a closed session.

The following types of matters may be dealt with in closed sessions/meetings:

- Matters involving property
- Matters involving litigation or potential litigation
- Material contracts
- Human resource matters
- Patient, consumer, customer or donor issues
- Any other matter the Board determines should be the subject of an in-camera session

Management is entitled to attend closed meetings of the Board. Guests or counsel may be invited to remain during a closed session, with the permission of the Chair or the consent of the meeting.

The annual Board Retreat will be considered a Closed Meeting of the Board, during which it will, in part, discuss the characteristics, priorities and activities of key stakeholders (e.g., funders) as a component of a comprehensive annual environmental scan in order to consider what, if any, changes to the organization's long-term vision and/or strategic plan may be necessary.

### **Meetings without Management**

The meetings without management will occur in the ordinary course following every other Board meeting or, from time to time as determined by the Chair or at the request of the Directors. Such a meeting shall not be considered to be a meeting of the Board but rather will be for information purposes only. Minutes will not be kept – the Chair keeps notes of the discussion. The Chair shall immediately convey any relevant matters raised in the meeting to the Executive Director.

A director that remains in the meeting without management is identified as an "Independent Director" who is described as being free of any special relationship that could reasonably be perceived to materially interfere with their ability to act in the best interest of the corporation.

<b>POLICY:</b> Standing Committees	<b>POLICY NUMBER:</b> GOV-2.2
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> April 10, 2014

**PURPOSE:**

The purpose of this policy is to set out the board’s responsibility for Board Standing Committees

**OVERVIEW:**

The Board of Director’s may constitute Standing Committees for the purpose of assisting the board with board work. These Standing Committees receive their mandate from the board and assist the board in fulfillment of its governance role. As such they are distinguished from operations committees, which are established by and report to the Executive Director.

**POLICY**

1. There shall be the following Standing Committees of the Board:
  - a) Executive Committee
  - b) Governance Committee
  - c) Finance and Committee
  - d) Quality and Performance Committee
  
2. The Board may establish such other committees, including special committees, as it determines are necessary for the execution of the Board’s responsibilities.
  
3. All Board Standing Committees constituted by the Board shall be accountable to and report to the Board
  
4. The President and ED shall be Ex-Officio members of all committees.
  
5. The Term of a Committee member is one year, renewable, and commences immediately following the Annual Meeting of Members.
  
6. Except for the Executive Committee, the Board shall encourage and promote the appointment of members who are not Directors to the Standing Committees of the Board. The Board shall ensure that committees reflect the community the Corporation serves.
  
7. Each Standing Committee is to prepare an Annual Work Plan
  
8. Standing Committee meetings are not open to the public

9. Guests may attend Standing Committee meetings at the invitation of the committee
10. All meetings of Board Standing Committees are closed to all persons except for members and invitees of the committees of the Board
11. Minutes shall be kept of all meetings of Board Standing Committees
12. Minutes of all Board Standing Committees or a committee report shall be included in the Board package of the next regularly scheduled Board meeting.
13. Committee recommendations for Board review and approval will be presented to the Board by the committee Chair or delegate
14. The subject matter of a meeting of a committee of the Board shall be dealt with in accordance with the COTA Health policy on "Confidentiality"
15. It is the responsibility of the Governance Committee to review and recommend for Board approval all Standing Committees' Terms of Reference annually in September. Standing Committee Terms of Reference are to include:
  - a) Mandate
  - b) Annual Work Plan
  - c) Accountability
  - d) Criteria, Skills and Expertise required
  - e) Composition
  - f) Quorum, Procedures and Meeting frequency
  - g) Responsibilities of the Committee, including succession planning for the Committee Chair
  - h) Staff Support
16. The Board shall Elect Standing Committee Chairs on an annual basis. .
17. The Executive Committee shall be comprised of the President, Vice President, Treasurer, Past President and Executive Director (non-voting).
18. Except for the Executive Committee, Directors will be appointed to Standing Committees, as an outcome of the following process:
  - a) Annually prior to each AGM, the Governance Committee will request that existing Directors and non-Director Standing Committee members declare their interest in serving on and/or transferring to specific Board Standing Committees
  - b) The Governance Committee will then prepare draft recommendations for Director assignments, which will also take into consideration:
    - the stated preferences of existing Directors
    - the skills, knowledge and abilities of the slate new candidates being nominated for Director positions at the AGM

- c) Annually, at the first meeting of the Board following the AGM, and following the election of Officers and Standing Committee Chairs, the presiding Chair of Governance will present the Standing Committee composition recommendations as prepared by the former Governance Committee, for appointment by Board resolution.
- d) Where disputes arise the matter will be open for discussion and resolution through a vote.
- e) Should the matter not be resolved by Board vote, then it will be brought forward to the Executive Committee for resolution

19. Except for the Executive Committee, the Board may appoint additional members who are non-Directors to a Standing Committee, and those persons shall be entitled to vote, but the number of non-Directors shall not exceed the number of Directors on a committee of the Board. The process for recruiting and appointing non-Directors to standing committees shall be as follows:

- a) Recruitment needs will be generated by each Standing Committee and brought forward to the Board for discussion
- b) Where appropriate, the Board will authorize recruitment of non-Directors to sit on Standing Committees
- c) Recruitment of non-Directors may be by way of referral or open posting
- d) Non-Director candidates will be interviewed by the Committee Chair and at least one other Director member of the Standing Committee
- e) The Committee Chair will present the recommended candidates for appointment to the Board for approval by Board resolution
- f) Standing Committee members who are non-Directors will serve a term of one year, renewable by resolution of the Board

<b>POLICY:</b> Special Committees	<b>POLICY NUMBER:</b> GOV-2.3
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

The purpose of this policy is to set out the process for the appointment and functioning of Special Committees accountable to the COTA Health Board.

**POLICY**

The Board may, from time to time, establish a Special Committees of the Board to assist the Board with its work. In these instances the Board is responsible establishing the terms of reference for the Special Committee and for recruiting and approving Special Committee members, subject to COTA Health By-laws and any other applicable policies. Special Committees receive their mandate from the Board and assist the board in fulfillment of its governance role. As such, they are distinguished from operations committees, which are established by and report to the Executive Director.

**CRITERIA**

The creation of a Special Committee of the Board is based on the following criteria:

- a) Special Committees must be constituted in accordance with COTA Health By-Laws and must be accountable to the Board of Directors
- b) Special Committees may be established to help the Board do its job, primarily through preparing policy alternatives and recommendations for Board deliberations.
- c) Regardless of the mandate of Special Committee(s), their function is not to interfere with the wholeness of the Board’s job or with delegation of operational responsibility from the Board to the Executive Director.
- d) It must be formed to addresses a specific issue that is not already being addressed by a COTA Health Standing Committees
- e) It must cease upon completion of its mandate
- f) Special Committee members are subject to all applicable COTA Health By-laws and Governance policies

**PROCESS**

- 1) Any COTA Health Director or the ED may recommend the formation of a Special Committee to the Board
- 2) While the Board may delegate the task of the development of a Special Committee’s Term of Reference to any Standing Committee, Director or ED, the Board retains the responsibility and authority for approving the establishment of Special Committees, their respective Terms of Reference and their dissolution, by Board resolution.

- 3) The Board shall encourage and promote the appointment of members who are not Directors to Special Committees of the Board. Where appropriate, the Board shall ensure that committees reflect the community the Corporation serves.
- 4) The Chair of a Special Committee must be a Director.
- 5) The process for assigning a Chair to a Special Committee will be as follows:
  - a) Upon Board approval of the Terms of Reference for a Special Committee, the Governance Committee will circulate the approved Terms of Reference to the Directors for review and request nominations and/or volunteers for the role of Chair of the Special Committee
  - b) If only one Director expresses interest he/she may be appointed, by resolution of the Board
  - c) If more than one Director expresses interest, the Board Chair will oversee an elections process. Candidates will be offered an opportunity to address the Board, but will not be required to do so. The Board Chair will ask, "Does any candidate wish to address the Board?"
  - d) The election of a Special Committee Chair will be by a show of hands unless a Board member demands that the election be held by ballot. In the event a majority (more than 50% of votes cast) is not achieved, the vote will be announced for each candidate and the candidate receiving the lowest number of votes will be dropped from the next ballot. This procedure would be continued until one candidate receives a majority of the votes cast (abstentions and spoiled ballots are not considered to be a vote). In the event of a tie, the process will continue until such time that a majority vote is achieved, or until one candidate withdraws his/her nomination.
  - e) The successful candidate will be announced and the actual votes received will be entered into the minutes of the meeting.
- 6) The process for assigning other Directors to a special Committee will be as follows:
  - a) Once the Chair of the Special Committee has been assigned, the Chair of the Special Committee will initiate process whereby other Directors may express interest in becoming a member of the Special Committee
  - b) If the number of Directors expressing interest is less than or equal to the total number of Director roles outlined in the Board approved Terms of Reference, those Directors shall stand for appointment to the Special Committee, by Board resolution, at the soonest possible Board meeting
  - c) If the number of Directors expressing interest is more than the total number of Director roles specified in the Terms of Reference, the Special Committee Chair will ask if anyone wishes to voluntarily withdraw. If after doing so, there remains more expressed interest than available positions, the matter will be brought forward to the Board for resolution. Options for resolution may include, but not be limited to:
    - Amending the Terms of Reference to accommodate more Directors
    - Initiating an elections process similar to that outlines in 5c) through e) above

- 7) While the Board may request that staff participate in a Special Committee of the Board, both the decision to allocate staff resources and process for selecting and assigning staff will be at the discretion and authority of the Executive Director.
- 8) The Board may appoint non-Directors to a Special Committee, and those persons shall be entitled to vote, but the number of non-Directors shall not exceed the number of Directors on a Special Committee of the Board. In addition, in order to achieve quorum, the number of Directors needs be greater than the number of non-Directors at any meeting of the Special Committee.
- 9) The process for recruiting and appointing non-Directors to a Special Committee of the Board committees shall be as follows:
  - a) Recruitment needs will be generated by the Executive Committee and brought forward to the Board for discussion
  - b) Where appropriate, the Board with authorize recruitment of non-Directors to sit on Standing Committees
  - c) Recruitment of non-Directors may be by way of referral or open posting
  - d) Standing Committee members who are non-Directors will serve a term of one year, renewable by resolution of the Board
- 10) Upon approval by the COTA Health Board, the Special Committee will:
  - a) Develop a work plan that ensures enough time is allotted to complete the work
  - b) Determine whether expert advice (legal, financial, etc.) is required
  - c) Solicit input from appropriate COTA Health members and stakeholders as required
  - d) Identify resource requirements and formally approach the Board with any requests to access funds from reserves to support the activities of the Special Committee
  - e) Determine the form of the committee's product (report, recommendation, etc)
  - f) Ensure sufficient documentation of deliberations
  - g) Ensure regular updates are provided to the COTA Health Board
- 11) Upon conclusion of the tasks, the Special Committee Chair will report the Committee's recommendations/findings to the COTA Health Board
- 12) Exceptions to this policy can be made, through Board approval of the Terms of Reference for any Special Committee, in response to unique situations, as may be determined by the Board

<b>POLICY:</b> Board and Committee Meeting Attendance	<b>POLICY NUMBER:</b> GOV-2.4
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 1
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**PURPOSE**

The purpose of this policy is to ensure that Board and committee members contribute their expertise and judgment to the business and affairs of the organization by attending and participating in Board and committee meetings.

**POLICY**

Board members and committee members are expected to attend, in person or by teleconference, all board meetings and all meetings of Board Standing Committees and Special Committees to which they are assigned.

It is recognized that Directors and committee members may be unable to attend some meetings due to conflicts with other commitments or other unforeseen circumstance.

**PROCESS**

Where a Director or committee member fails to attend 75% of the regularly scheduled meetings of the Board or of a committee in a 12-month period, or is absent for three consecutive meetings, the Board Chair/Committee Chair shall discuss the reasons for the absences with the member and may ask the individual to resign.

A member’s record of attendance shall be considered with respect to renewal of a Board term or future assignment to a committee.

The Board Chair/Committee Chair shall, in the chair’s sole discretion, determine if a Board or committee member’s absences are excusable and may grant a Board or committee member a limited period of time to rearrange their schedule so that there are no conflicts with regularly scheduled Board or committee meetings.

<b>POLICY:</b> Consent Agendas	<b>POLICY NUMBER::</b> GOV- 2.5
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

## **POLICY**

The Agenda for board meetings will distinguish between the following types of matters:

- Decision;
- Discussion; and
- Information.

Only decision items will require a motion, seconder and a vote.

Items requiring a decision that are expected to require no discussion or debate may, at the chair's option, be placed on the Agenda under the heading "Consent Agenda". A consent agenda is a set of items that are approved without discussion. The consent agenda is intended to streamline the process for approval of regular, routine issues that come before the board, based upon the assumptions that the item is self-explanatory and uncontroversial, for information only and/or confirms a previously discussed issue. The consent agenda promotes good time management and endeavours to improve board meetings.

Materials and motions proposed to be dealt with under the Consent Agenda portion of the Agenda shall be clearly identified as falling under the Consent Agenda in the meeting packages. Board members should review the Consent.

Agenda items prior to the meeting on the expectation that no discussion will take place during the board meeting.

### **Approval of Agenda**

The Agenda will be approved by the board at the beginning of each meeting.

Members of the board may request that matters be added, deleted or that the order of items be moved and the chair shall make a decision on each such request. Any such decision may be subject to challenge and reversed by the board.

Items may be moved out of the Consent Agenda section at the request of any member of the board prior to approval of the Agenda. No motion or vote of the board is required with respect to a request to move an item out of the Consent Agenda.

Where a member of the board requests that an item be moved out of the Consent Agenda section, the chair shall decide where to place that item on the Agenda.

Where only one item in a committee report does not qualify as a Consent Agenda item or is requested to be moved, that item shall be moved out of the Consent Agenda and the rest of the items in the report shall remain in the Consent Agenda.

Approval of the Agenda by the board constitutes approval of each of the items listed under the Consent Agenda portion of the meeting. No separate vote to approve the Consent Agenda portion is required.

### **Minutes**

Minutes of the meeting will include the full text of resolutions adopted under the Consent Agenda portion of the meeting.

### **Amendment**

This policy may be amended by the board.

<b>POLICY:</b> Director Recruitment and Selection	<b>POLICY NUMBER:</b> GOV-3.1
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**Purpose**

Effective governance depends on ensuring that the board develops and maintains a strategic mixture of skills, experience and diversity within its composition.

**Policy**

Through its recruitment and selection process, the board will elect directors according to the skills, experience and personal qualities that will assist in advancing the interests of the organization.

The board’s Governance Committee is responsible for developing a recommended Board Profile/Skills Matrix to ensure maintenance of a balanced board composition, while considering any unique, strategic or special requirements of the corporation at the current time. The Board Profile/Skills Matrix is to be reviewed at the annual Board Retreat and subsequently updated in accordance with approved changes.

The board will ensure all directors possess the personal qualities necessary to perform their role as board members. The board will strive to reflect the diversity of the community it serves (e.g., demographic, cultural, economic, linguistic, etc.) while ensuring its ability to meet its fiduciary responsibilities.

Skills and Experiences

When recruitment opportunities arise, candidates will be considered in relation to how their personal attributes will assist the board in maintaining the approved Board Profile/Skills Matrix, which may contain but not be limited to skills and experiences as set out below:

- Board and Governance
- Business Acumen
- Consumer Perspective/Lived Experience
- Diversity & Equity
- Finance
- Government & Government Relations
- Health Care Administration & Policy
- Labour Relations
- Legal
- Public Relations & Communications
- Research/Education
- Risk Management
- Sector Specific Knowledge
- Strategic Planning

## Personal Qualities

The board requires all of its members to possess the following personal qualities:

- An understanding of and commitment to the vision, mission and values of the organization
- Honesty and integrity
- An understanding of governance
- An understanding of a director's role and fiduciary duties, and the role of the board
- An ability to think strategically
- An ability to work as part of a team
- An ability to communicate effectively
- A willingness to devote the time and effort required to be an effective board member including attendance at board orientation, board retreats, board meetings, committee meetings and organization events
- An absence of potential conflicts and ability to recognize and manage potential conflicts of interest

## Director Recruitment Process

The following outlines the typical process for recruiting and electing new Directors:

<b>Needs Identification</b>		
<b><i>Task (February/March)</i></b>	<b><i>Methods</i></b>	<b><i>Responsibility</i></b>
1. Identification of number of new directors required	Identify resignations and expiry of terms	Governance Committee
2. Identification of selection criteria	Review current/approved Board Profile/Skills Matrix of current board profile and any other strategic considerations	Governance Committee
<b>Recruitment Process</b>		
<b><i>Task (March/April)</i></b>	<b><i>Methods</i></b>	<b><i>Responsibility</i></b>
3. Consider how best to advertise/post the vacancy (where, how long etc.)	A variety of methods could be employed including but not limited to advertisements on employment websites, professional websites, e-mail distribution/networking, etc.	Governance Committee
4. Field applications/expressions of interest	Received applications, answer initial questions, provide information package to potential candidates, including duties and expectations, etc.	Executive Director
<b>Selection Process</b>		

<b>Task (April)</b>	<b>Methods</b>	<b>Responsibility</b>
5. Short list	Review resume and/or application	Governance Committee
6. Gauge skills, experience, commitment level etc. and review relevant material, such as director responsibilities	Interviews	Governance Committee
7. Reference checks	Telephone calls	Governance Committee
<b>Approval Process</b>		
<b>Task (May/June)</b>	<b>Methods</b>	<b>Responsibility</b>
8. Governance Committee makes its recommendation(s)	Review resume and/or application Review interview results and references Match candidates to Board needs	Governance Committee
9. Approval by Board	Report of Governance committee	Board of Directors
10. Approval by Members	Election by Members at Annual General Meeting	Members

**Interim elections:**

The table above reflects the typical recruitment and election process. However, there may be instances when vacancies occur throughout the year. In these instances the board may fill the vacancy with a qualified person, elected by the board, to serve until the next annual general meeting. In these instances the tasks, methods and responsibilities, per the table above, would apply but the calendar/timelines would be altered/condensed. Any Directors elected through this process would be filling the remainder of a vacant term. This time is not considered to be part of the maximum number of consecutive terms that that director may serve.

Candidates may be invited, initially, to volunteer on a Board Committee for a period of time, prior to standing for election to become a Director. Individuals participating in this capacity are referred to a Community Participants. They are not formal members of the board or the committee, and while their contributions are valued, they are not afforded any voting rights.

<b>POLICY:</b> Election of Officers and Standing Committee Chairs	<b>POLICY NUMBER:</b> GOV-3.2
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**Purpose**

The purpose of this policy is to articulate the procedure for both the election of Officers to the Board of Directors and for the Election of Chairs to Standing Committees.

**Application**

The Chair, Vice Chair, Treasurer, and the Chairs of Standing Committees shall be elected by the board from among their number at the first meeting of the board following each Annual General Meeting (AGM).

**Procedure**

**A/ Election of Officers:**

The board elects the following Officers of Corporation to the following terms.

- Chair: two year term, renewable once at discretion of board
- Vice Chair (incoming Chair) intended to succeed Chair: Term is two years, renewable once, or until person assumes the role of Chair, at the discretion of the board
- Treasurer: two year term, renewable once at the discretion of the board

The Executive Director is appointed by the board to the role of Secretary. For greater certainty, the Executive Director will serve as Secretary for Cota and as a signing authority/officer, but is not an elected Officer of the Corporation.

The Governance Committee assumes the responsibility of tracking the terms of incumbent Officers. Where it is determined that an incumbent’s term will be ending at the first meeting following the AGM, the Governance Committee will ensure that this is communicated to the Board of Directors prior to the AGM. Directors interested in being considered for the Officer position due to become vacant will be asked to communicate their interest to the Chair of the Governance prior to the AGM.

At the first meeting of the board following the AGM, election procedures will occur, as set out below, for the positions where an incumbent’s term is ending. Sequentially, the election of Chair will always precede the election of Vice Chair and the election Vice Chair will precede that of the Treasurer. Proxy ballots will not be allowed in the process of electing Officers.

1) Election Procedures for Chair:

- a) The Outgoing Board Chair will chair the election process for the Incoming Board Chair, provided he/she is ineligible to occupy the position of Board Chair moving forward or he/she has declined to stand as a candidate for election.
- b) The Outgoing Chair will announce the names of those individuals who have already put their name forward for consideration.
- c) The Outgoing Chair will also call for nominations from the floor.
- d) Nominations will be closed.
- e) Candidates will be offered an opportunity to speak to the board, but will not be required to do so. The Outgoing Chair will ask, "Does any candidate wish to address the Board?"
- f) The election of the Incoming Chair may be by a show of hands unless a Director demands that the election be held by ballot. In the event a majority (more than 50% of votes cast) is not achieved, the vote will be announced for each candidate and the candidate receiving the lowest number of votes will be dropped from the next ballot. This procedure would be continued until one candidate receives a majority of the votes cast (abstentions and spoiled ballots are not considered to be a vote). In the event of a tie, the process will continue until such time that a majority vote is achieved, or until one candidate withdraws his/her nomination.
- g) The successful candidate will be announced and the actual votes received will be entered into the minutes of the meeting.

2) Election Procedures for Vice Chair and Treasurer

- a) The process for electing Vice Chair and Treasurer will be chaired by the standing Board Chair. Note, if a new Board Chair was elected via the process outlined in 1) above, then he/she will chair the election process for Vice Chair and Treasurer positions that may be available.
- b) The election of Vice Chair will precede the election of the Treasurer
- c) The election process for each of Vice Chair and Treasurer will follow similar steps as outlined in 1b) through 1g) above

**B/ Election of Standing Committee Chairs**

Cota has four Standing Committees of the board, as follows:

- Executive Committee: consisting of the Chair, Vice Chair, Treasurer, Past Chair and Executive Director (non-voting)
- Governance Committee

- Finance Committee
- Quality & Performance Committee

The Board Chair, by virtue of his/her office, assumes the role of Chair of the Executive Committee.

The Governance Committee assumes the responsibility of notifying Directors of the other Standing Committee Chair opportunities prior to each AGM. Directors interested in being considered for any of these Standing Committee Chair positions will be asked to communicate their interest to the Chair of the Governance prior to the AGM. The Governance, Finance and Quality & Performance Standing Committee Chairs are elected to one year terms, renewable once (per Cota's By-laws).

Annually, at the first meeting of the board following the AGM and after the election of Officers has occurred, elections for the applicable Standing Committee Chairs will occur as set out below. Proxy ballots will not be allowed in the process of electing Standing Committee Chairs.

Sequentially, the elections of Standing Committee Chairs will occur as follows:

- i. Chair of Governance Committee
- ii. Chair of Finance Committee
- iii. Chair of Quality & Performance Committee

Election Procedures for each Standing Committee Chair positions will be as follows:

- a) The Board Chair will chair the election process for Standing Committee Chair positions for each of Governance Committee, Finance Committee and Quality & Performance Committee
- b) The outgoing Chair of Governance will provide the Board Chair with the names of those individuals who have already put their name forward for consideration. The Board Chair will announce the names of these candidates
- c) The Board Chair will also call for nominations from the floor.
- d) Nominations will be closed.
- e) Candidates will be offered an opportunity to speak to the Board, but will not be required to do so. The Board Chair will ask, "Does any candidate wish to address the Board?"
- f) The election of each Standing Committee Chair will be by a show of hands unless a Board member demands that the election be held by ballot. In the event a majority (more than 50% of votes cast) is not achieved, the vote will be announced for each candidate and the candidate receiving the lowest number of votes will be dropped from the next ballot. This procedure would be continued until one candidate receives a majority of the votes cast (abstentions and spoiled ballots are not considered to be a vote). In the event of a tie, the process will continue until such time that a majority vote is achieved, or until one candidate withdraws his/her nomination.

g) The successful candidate will be announced and the actual votes received will be entered into the minutes of the meeting.

<b>POLICY:</b> Director Orientation	<b>POLICY NUMBER:</b> GOV-3.3
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> November, 2015 (R) September, 2014

**PURPOSE**

This policy ensures that each member of the Board of Directors will develop an understanding of the scope and mandate of COTA Health and their role as a board member, through an orientation process.

**POLICY**

**A/ Initial Orientation:**

All new Board members must attend an initial orientation session. All new Directors should be oriented prior to attending their first meeting whenever possible.

Initial Orientation for new Board Members includes, but is not limited to:

- a detailed review of the orientation manual;
- a review of the organization’s operations, financial information;
- a review of the board’s roles and responsibilities, and operations;
- a review of key stakeholders and relationships in the mental health and community support services environment;
- meetings with the Chair of the Board and the Executive Director to review trends and issues currently under discussion; and,
- Attending as many standing committee meetings as possible to ensure good understanding of the issues under discussion.
- Orientation to specific organizational information, policies and procedures as may be required to ensure compliance with the Ministry of Community and Social Services’ (MCSS) Quality Assurance Measures (QAM) relating to the Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act, 2008

**B/ Annual Orientation Refreshers:**

Annually all Board Members must participate in an Orientation Refresher session, which will, at minimum, include orientation to specific organizational information, policies and procedures as may be required to ensure compliance with the Ministry of Community and Social Services’ (MCSS) Quality Assurance Measures (QAM) relating to the Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act, 2008

Records of both Initial Orientation and Refresher Orientation sessions must be documented and records maintained on file. These records should include:

- Date(s) of sessions
  - Names of participating Board Members
  - Information provided in the session

The Governance Committee is responsible for periodically reviewing the quality of the board orientation program and recommending amendments to the Board of Directors as required.

<b>POLICY:</b> Board Development	<b>POLICY NUMBER:</b> GOV-3.4
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**Policy**

The Board will develop and maintain a comprehensive orientation practice for new directors.

**Procedure:**

Board development is fundamental to the Board’s ability to continually grow to meet the changing demands of Governance. It can be broken into four (4) main headings: succession planning; orientation; Board and individual evaluation; and continuing education.

***Succession Planning:***

Through succession planning the Board ensures that its composition truly reflects the Mission, Vision, Values and Strategic Direction of the organization. Through the nominating process outlined in the By-law, and the Annual Board Profile, new Board members are identified to replace existing members. The process is open to all residents of COTA Health catchment areas and is aimed at ensuring a good cross representation of interested and skilled individuals.

***Orientation:***

Orientation, to be undertaken by all Board members, includes, but is not limited to, a detailed review of the orientation manual, meetings with the Chair of the Board and the Executive Director to review trends and issues currently under discussion and initially attending as many standing committee meetings as possible to ensure good understanding of the issues under discussion. All new board members will be provided the opportunity to be mentored by an experienced Board member. New Board Members will be provided the opportunity to participate in site visits of COTA Health’s programs and services.

***Board Evaluation:***

The Board has a responsibility to act on its findings to continuously improve the effectiveness of the Board. The Board evaluation is undertaken annually, in the form of an evaluation completed by all Directors. The results of the evaluation are reviewed by the Governance Committee and may form the basis of the Annual Board/Senior Team Retreat. The Retreat is an opportunity for the Board to re-evaluate its goals and objectives against feedback from its members and changes in the industry affecting the organization.

***Continuing Education:***

Each member of the COTA Health Board of Directors is responsible for ensuring that s/he has the knowledge required to undertake his/her role as a Director. Continuing education, probably the most important aspect of Board development during these times of rapid change, is an ongoing activity. Each year, some Board meetings shall commence with an education session that focuses on a topic of current interest. Directors are encouraged to contribute suggestions for educational activities for the Board as a whole. In addition, all Board Members receive pertinent materials about the health and social services sectors. Lastly Board Members are encouraged to attend other educational sessions focusing on issues that are relevant to their role as a Board member.

<b>POLICY:</b> Role of Executive Director	<b>POLICY NUMBER:</b> GOV-4.1
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

## **Purpose**

The Executive Director is the sole employee reporting to the Board of Directors. This policy ensures clarity in the relationship between the Executive Director and the Board and the Board's procedures in relation to the Executive Director.

## **Board-Executive Director Relationship**

The Board of Directors and the Executive Director work as a collaborative team. The Board's responsibility is generally confined to establishing the broadest policies for the achievement of COTA Health's corporate objectives. Implementation of these broad policies and development of other related, more operational policies, is the responsibility of the Executive Director.

## **Delegation to the Executive Director**

All Board authority for the implementation of its policies is delegated through the Executive Director, so that all authority and accountability of staff is considered to be the authority and accountability of the Executive Director.

The Executive Director is accountable for all organizational performance and exercises all authority transmitted to the organization by the Board. The Executive Director's performance is considered to be synonymous with the organization's performance.

The Executive Director is authorized to establish all further policies, make all decisions, take all actions and develop all activities as long as they are consonant with any reasonable interpretation of the Board's policies.

The Executive Director shall ensure that all practices, activities, and decisions are prudent, in accordance with commonly accepted business and professional ethics, and consistent with the policies of COTA Health.

## **Restrictions on Executive Director Authority and Reporting to the Board**

The Executive Director is responsible for providing information and counsel to the Board, in a timely fashion. The Executive Director provides assurances to the Board of Directors of COTA Health's compliance with legislative acts, standards and codes. The Executive Director provides information to the Board on risks and potential risks which affect either the short or long term operations, viability of COTA Health.

The Executive Director must bring the following issues or decisions to the Board of Directors:

1. Any violation of Board policy by intent or otherwise that the Executive Director learns of causes or allows;
2. Any potentially significant risk to the organization, whether the risk be to COTA's finances, human resources, reputation, or otherwise;
3. Any adverse media attention;
4. Any potential strategic alliance that may result in the creation of a new corporate entity or the dissolution of a corporate entity;
5. Any single expense claim in excess of \$100,000
6. Any single expenditure of \$250,000 or more
7. Any potential labour disruptions

The Executive Director must also present relevant information to the Board, which may include:

- impact on governance and the organization
- relevant trends
- anticipated media coverage
- changes in the assumptions or policies previously established.

While it is not common practice for the Executive Director to discuss all issues pertaining to the operations of COTA Health with the Board, in instances where situations may negatively impact the public's perception of COTA Health, the Executive Director will take the following course of action:

- Discuss the situation and the appropriate level of disclosure, with the Chair of the Board of Directors.
- If deemed necessary by the Chair, discuss appropriate details at Executive Committee.
- If deemed necessary by the Executive Committee, inform the full Board of Directors of appropriate details.

Regardless of the process followed, the Executive Director is not required to seek prior approval for initiating action that involves the day-to-day operations of COTA Health.

<b>POLICY:</b> Executive Director Performance Management Framework	<b>POLICY NUMBER:</b> GOV-4.2
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 of 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018 (R) September, 2014

### **Purpose**

The Board of Directors recruits an Executive Director to manage the day to day affairs of organization. The Executive Director is the sole employee of the Board and is accountable to the Board. Therefore, it is imperative that the Board develops clear performance expectations for the Executive Director and implements consistent and structured performance management approach for the Executive Director.

### **Policy**

At COTA Health the Executive Director's contributions to organizational performance will be primarily measured in relation to the successful achievement of the Board's approved Fiscal Work Plan objectives (inclusive of longer-term strategic objectives)

The following procedures outline the specific steps involved in managing the Executive Director's performance.

### **Procedures**

#### ***1. Establishing the Executive Directors' Compensation Package:***

- a) The establishment of the Executive Director's initial base salary/compensation package, upon hiring, should result from a market review of ED/CEO compensation at comparable organizations with respect to size and complexity. This review should result in a determination of a fair market compensation range within which to negotiate an initial compensation arrangement with the new Executive Director. This range should be recorded and maintained by the Chair of the Board for reference until such time that the next fair market compensation package review is conducted by the Board.
- b) Consideration of annual increases to the Executive Director's base salary/compensation package must be made in relation to the Executive Director's performance, financial health of the organization, the previously assessed fair market compensation range and any potential restrictions/limitations imposed by current legislation.
- c) The Board of Director's is to conduct a review of ED/CEO compensation at comparable organizations with respect to size and complexity every 3 years to

determine the fair market compensation range for the Executive Director.

The conditions of the Executive Director's employment may be brought forward for discussion/negotiation by either party at any time during the employment relationship.

**2. Linking Executive Director Performance to Compensation:**

- a) *Annual Performance Payment:* The Executive Director is eligible, subject to exceptions as outlined in this policy, for a one-time annual payment . The amount of the Annual Performance Payment shall correspond to following qualitative ratings:

Qualitative Rating	Percentage of Base Salary
Exceeds Expectations	5-6%
Meets Expectations	2-4%
Unsatisfactory	0%

The amount of the annual performance payment is to be determined in accordance with this policy.

- b) *Merit:* Merit increases to the Executive Director's base salary level itself should also be considered annually in relation to the results of the Executive Director's performance review, as outlined in 1 b) and c) above.

**3. Establishing Fiscal Expectations:**

In the fourth quarter of each fiscal year, as part of the Annual Operating Plan development and approval process (typically in February), the Executive Director will provide a presentation to the Board which will have the following four components:

- a. A detailed *Year to Date/Year End Forecast* status update summary the organization's Fiscal Work Plan for that current fiscal year
  - b. An *Environmental Scan* that identifies key areas of change and/or consideration for the upcoming fiscal year.
  - c. A detailed *Fiscal Work Plan* for the upcoming fiscal year that will propose operational and strategic undertakings, expected deliverables and timelines. This will be presented to the Board for consideration approval. Once approved it will become the organization's fiscal work plan and will serve as the key measure of fiscal performance expectations against which the Board will measure the Executive Director's performance.
- 4.
- a. A completed list of objectives and Action Plan items (from the Strategic Plan & Fiscal Work Plan) in the ED's Annual Performance Review that the ED will work towards and be assessed against over the coming fiscal year.

**5. Six-Month Progress Reporting to the Board**

In the third quarter of each fiscal year, the Executive Director will report progress against his Annual Performance Review to the Board.

## 6. Annual Performance Review

The Executive Director's performance review is to be initiated and concluded within the fourth quarter (January 1<sup>st</sup> to March 31<sup>st</sup>) of each fiscal year. The Executive Committee is responsible for coordinating the activities relating to the Executive Director's annual performance.

The Executive Committee will complete the ED's Annual Performance Review (See attached as Appendix "A")

- *The ED:*
  - The key objective of this activity is to provide the ED with a vehicle through which to reflect and comment on his/her performance, identify areas of potential growth and to highlight key accomplishments that he/she achieved within the past fiscal year.
- *Members of the Leadership of the Organization:*
  - The key objective of this activity is to gather feedback from Senior Managers of the organization to assist in gauging the internal perspective of the ED's performance as an effective leader for both his direct reports and employees of the Organization.
- *Individual Directors on the Board of Directors:*
  - The key objective of this activity is to gather feedback from individual Directors to assist in gauging the Board's overall satisfaction with the Executive Director's performance in areas such as:
    - Knowledge of the sector
    - Quality of materials/information provided
    - The ability of the Executive Director to assist the Board in its decision making processes
    - Supporting Board members to fulfill successfully meet/fulfill their obligations
    - General working relationship with the Board of Directors/Board Committees
    - Etc.
- *At least one External Stakeholder:*
  - Each year Executive Committee and the ED will collaboratively determine a list of 2 to 3 key external stakeholders for the Board to interview in relation to the ED performance. The ED or Executive Committee may suggest any combination of funder, partner or other stakeholder representatives to contact but must provide a rationale for identifying specific individuals. The rationale should speak to the nature of the relationship with the stakeholder and the reason for identifying him/her as a contact for the current performance review (e.g., recently worked closely on an initiative together, etc.). Together the Executive Director and Executive Committee will shortlist and decide on the stakeholders to be interviewed.

- Each year the ED and Executive Committee will be expected to try to identify a different set of external stakeholders to contact.
- The Executive Committee will coordinate and conduct brief telephone interviews with the identified stakeholders
- The key objective of these interviews is to gather feedback from external stakeholders in order to gauge the ED's ability to effectively act as an ambassador of the organization, promote the positive reputation for COTA Health, contribute to broader system/sector initiatives and manage key stakeholder relationships

Once activities in the ED's annual performance review are completed, the Executive Committee will summarize the results of review and generate a recommendation to the Board of Directors in relation to the performance review. Any conclusions and subsequent recommendations relating to the ED's performance must be results oriented/objective rather than subjective or personality related. The recommendation may include, but not be limited to:

- The determination of an Annual Performance Payment
- The provision of a base salary merit increase
- The establishment of key areas of expected performance improvement or suggested education/training
- Progressive discipline
- Termination

The Executive Committee will report the summary of feedback and motion to the Board of Directors no later than the end of March in each fiscal year. It is expected that the Board will conclude the ED performance review discussion and make a final determination on the matter through a vote. If a determination cannot be reached, the meeting may be adjourned but must be reconvened before the end of March for a final vote/decision.

Once the Board has made a final determination on the matter of the ED performance evaluation, the Chair will arrange to meet with the Executive Director to discuss the results and implement any required actions. This meeting must occur no later than the end of the second week of April, each calendar year.

<b>TITLE:</b> Executive Director Succession Planning	<b>NUMBER:</b> GOV-4.3
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September 2014

**Purpose:**

The Board recognizes the importance of ensuring stability of the organization in the event of the Executive Director's planned or unplanned departure. The Board has therefore introduced this policy to guide the Executive Director succession planning process.

**Procedure:**

**1. Safeguards Against Sudden Loss of the Executive Director**

1.1 In order to protect the Board from the consequences of the sudden loss of the services of the Executive Director, the Executive Director will ensure that the Senior Management Team is familiar with Board processes, key organizational strategic plans and current Board and Executive Director Issues and undertakings. To this end, it is expected all members of the Senior Management Team:

- a) attend Board meetings regularly as non-voting guests
- b) regularly participate in at least one Standing Committee as a non-voting guest

**2. Executive Director Voluntary Resignation or Involuntary Termination**

2.1 In the event of the voluntary resignation or involuntary termination of the Executive Director:

- a) The Executive Director will notify the Board Chair of his/her resignation or the Chair will notify the Executive Director of his/her termination, as applicable.
- b) The Chair will negotiate a reasonable notice period, consistent with the provisions within the Executive Director's employment letter.
- c) The Chair will notify the Executive Committee
- d) The Chair will notify all managers and any other staff who report directly to the Executive Director immediately.
- e) The Executive Committee of the Board will appoint an Interim Executive Director as soon as possible.
- f) In the event of the Executive Director's voluntary resignation, the Chair will confirm that the outgoing Executive Director communicates this information to staff and external stakeholders appropriately.
- g) In the event of the Executive Director's involuntary termination, communication to the staff, service providers, volunteers, students, Board of Directors and other key stakeholders will be the responsibility of the Chair of the Board.
- h) In either event, the departing Executive Director will be asked to prepare an exit folder/package of information to assist with knowledge transfer to the Interim Executive Director and/or new Executive Director. The information contained within

the exit folder/package should include, but may not be limited to:

- A list, with appropriate notations, of all major stakeholders (e.g., funders, partners, etc.) that the incoming Executive Director will need to contact.
- A calendar for all major or key upcoming events, external network meetings, etc., for the upcoming 3-6 months
- A summary of key internal activities that occur on a recurring basis within a fiscal year during the year. Including for example, leadership team meetings; committee meetings; funders reporting requirements; applications due; performance reviews; lease or contract expiration dates; pay periods, etc.
- A list, with appropriate notations, of all major documents the incoming Executive Director will need to review (e.g., Strategic Plan, Board Manual, descriptions of programs and services, etc.)
- A summary of current and/or potential issues and current work plan activities

## **2. Emergency Succession Plan Steps**

In the event that the Executive Director cannot perform his/her duties as a result of serious illness or death, the following emergency succession plan will be implemented:

- a) The Board Chair will be notified immediately by the Director of Corporate Services
- b) The Board Chair will inform the Executive Committee
- c) Communication to the staff, service providers, volunteers, students and Board of Directors and the public will be the responsibility of the Chair of the Board.
- d) In the event of a sudden loss of the Executive Director the Director, Finance and Administration will be granted ultimate decision-making authority for day-to-day operations and will be directed by the Board to assume oversight of administrative and financial functions to ensure that operational integrity continues during immediate emergency period until such time that an Interim Executive Director is formally appointed by the Executive Committee
- e) The Chair will notify staff, as soon as possible, of the situation and the succession plan.
- f) The Chair or designate will act as second signature on required instruments, where applicable
- g) The Director, Finance and Administration will submit monthly reports to the Board regarding fiscal or management issues. All financial reports are to be reviewed by the Treasurer of the Board until such time as a new Executive Director is hired, in which case regular review would occur according to Board policy or as otherwise determined by the Board.
- h) Within seven (7) days of notification, the Board will hold an emergency meeting to determine the need for appointment of an Interim Executive Director. If it is determined that an Interim Executive Director is required, this shall occur as soon as possible. Every effort shall be made to complete this step within twenty (20) working days of the emergency meeting.

## **3. Role of the Executive Committee**

In the event of the departure of the Executive Director, regardless of the circumstances surrounding the departure, the Executive Committee will be responsible for the following activities:

- Ensure appropriate implementation of the succession plan steps
- Ensure a proper send off for the departing Executive Director, as appropriate
- Strike a Search Committee and coordinate the recruitment process for a new

#### Executive Director

- Recommend to the Board of Directors the members who should comprise a Search Committee and its authority. The Search Committee will then determine the process and parameters for the Search, including the decision to involve outside consultants. After the process has been completed, the Search Committee will make a recommendation to the Board of Directors regarding an appropriate candidate.
- Provide the Interim Executive Director and/or new Executive Director with support during the initial orientation period
- Establish open lines of communication with the Senior Management team and/or the appointed Interim Executive Director.
- Ensure that the Chair provides regular communication updates regarding the departure of Executive Director, interim arrangements, the announcement of the new Executive Director and other relevant news to major stakeholders such as, staff, volunteers, funders, community partners, bank, auditor, etc.

<b>POLICY:</b> Salary Determination - Leadership Roles	<b>POLICY NUMBER:</b> GOV-4.4
<b>SOURCE :</b> Administrative Policy-Salary Determination Leadership Roles A-5-250	<b>PAGE(S):</b> 1 of 3
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> April 4, 2017, June 22, 2017 (R)

**POLICY:**

Cota is committed to applying a Leadership compensation system which is internally and externally competitive, equitable and that also recognizes and encourages individual performance.

**APPLICATION:**

This policy applies to all employees in Leadership category. For greater certainty, it applies to all those non-union employees in the rank of supervisor and above.

**PROCEDURE:**

**I. Base Salary Ranges**

There will be a set base salary range for each Leadership job classification. Each job classification will have a both a minimum base salary rate and a maximum base salary rate.

Human Resources will be responsible for establishing, overseeing, monitoring and administering the job evaluation/salary administration program that reviews Base Salary Ranges for Cota leadership positions taking into consideration internal equity, market forces and other competitive and/or economic factors.

The Director Human Resources & Organizational Development (Director HR&OD) will be responsible for recommending adjustments to leadership Base Salary Ranges to the Executive Director, when and where appropriate. From time to time, the Executive Director may authorize adjustments to base salary ranges for specific leadership classifications, as a result of a recommendation from the Director HR&OD.

**II. Hiring Rate**

Factors to be considered in determining a Leader’s starting rate include, but are not necessarily limited to:

- applicable skills, experience and knowledge
- qualifications and abilities of the candidate
- scope of responsibility
- expectations of the candidate
- budgetary considerations

The hiring manager, following consultation with human resources, will recommend a starting salary to his/her respective Director or Executive Director, for the new employee within the applicable base salary range. In these situations, the applicable Director or Executive Director

must authorize any proposed starting salaries in excess of the minimum base salary rate, before recruitment can proceed.

### **III. Salary Progression within Base Salary Range**

An employee's base salary may progress within the applicable salary range on an annual basis, provided the employee's performance merits such an increase and Cota has both the financial means and the legal ability to grant the increase. Any such merit increase will only be granted after the individual has received his/her Annual Performance Review. Upon receiving his/her performance review, the individual may be eligible for a merit increase according to the following table.

Performance Rating	If Below Maximum Base Salary <i>Maximum permitted base merit increase</i>
Exceptional	Up to 6.0%
Meets	Up to 3.0%
Developing	Up to 1.5%
Not Meeting	0%

Performance ratings (save and except those relating to the Directors and Executive Director) will be reviewed by Executive Leadership Team on an annual basis. The Executive Director, in consultation with Executive Leadership Team will authorize applicable merit increases to be released. Directors will then advise Leadership within their respective portfolios of approved merit increases.

Performance ratings and merit increase awards for Directors will be at the discretion of the Executive Director.

The Executive Director's performance review and compensation arrangements are orchestrated and determined by the Board of Directors, per *Governance Policy 4.2 Executive Director Performance Evaluation*.

Under no circumstances will base salary rate adjustments be granted for successful completion of a Probation Period.

### **IV One-time Re-Earnable Performance Award**

In limited situations where:

- 1) The organization is not able to grant Base Salary Rate increases due to fiscal limitations;  
*or*
- 2) An individual has reached his/her Maximum Base Rate and has also achieved a rating of Meets or Exceptional in his/her Annual Performance Review; *and*
- 3) The organization has both the fiscal means and legal ability to do so.

the Executive Director may authorize the release of a one-time re-earnable performance award in recognition of the individual's performance, for all Leadership positions below his/her rank.

A one-time re-earnable performance award, while not an increase to base salary, is considered re-earnable. That is, an eligible employee may be granted a one-time recognition award, in any given year, depending on performance during that year. One-time re-earnable recognition awards may be granted in any of a variety of ways including, but not necessarily limited to: one-time pay increases; one-time vacation time increases; one-time education/professional development awards. In all instances the maximum value of such awards must not exceed the equivalent of six percent (6%) of the employee's base salary range.

One-time re-earnable recognition awards for the Executive Director may be issued, at sole discretion of the Board of Directors.

#### **REFERENCED DOCUMENTS:**

Administrative Policies:

- Performance Management – Leadership A-8-260
- Salary Determination– Leadership A-8-250

<b>POLICY:</b> Oversight of Financial Health	<b>POLICY NUMBER:</b> GOV-5.1
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 1
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> September, 2014

**Purpose**

Achievement of COTA Health’s strategic and annual objectives is dependent on the financial health of COTA Health.

**Policy**

The board is responsible for ensuring the integrity of the organization’s financial statements, internal controls, financial information systems and overall financial health. These functions are overseen, on behalf of the Board, by the Finance Committee and, in relation to the organization’s annual audit, by the Governance Committee.

**Procedure**

The financial health of COTA Health is attained and maintained through the following processes:

- Comprehensive operational and financial planning processes to support appropriate decision making regarding resource allocation, capital investments and major expenditures;
- Consideration of the impact that specific resource allocation decisions may have on service quality, staff/client safety and the sustainability of the organization
- Board review and approval of the organization’s operating and capital budgets
- Comprehensive internal management controls and information systems to support appropriate decision making;
- Sound investment practices and policies; and
- An annual financial audit performed by an external licensed public accounting firm.
- Proper stewardship of COTA Health’s assets which includes:
  - Comprehensive internal management controls and processes, including physical asset management;
  - Sufficient and appropriate insurance coverage; and
  - COTA Health Investment Policy which maximizes the assets to achieve maximum return with minimal risk.

<b>POLICY:</b> Reserve Funds Policy	<b>POLICY NUMBER:</b> GOV-5.2
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018 (R) June 22, 2017 (R) June 23, 2016 (R) November 29, 2014 (R) November 21, 2015 (R) September, 2014

**POLICY:**

The Board of Directors recognizes the need to utilize funds from a variety of sources in order to fulfill its mission and to pursue its vision. This includes the:

- appropriate utilization of revenue received through service contracts with our government funders
- the appropriate utilization of funds generated through other methods (e.g., fundraising, other revenue generating activity); and
- strategic use of the funds that the organization holds in reserve
- an annual reconciliation of investment incomes and expenditures

This policy has been developed to specifically guide the maintenance of the strategic use of Cota’s reserves.

**GUIDING PRINCIPLES:**

1. Reserve funds will be invested in accordance with Cota’s Investment Policy GOV-5.3
2. Cota reserve funds consist of four (4) sub-categories of fund types as follows:

*i) Contingency Fund:*

This fund represents the Board of Director’s commitment to maintain a minimum balance of \$3.4 million in reserves, at all times, in order to ensure the organization is financially viable in the event of an emergency or sudden interruption to operating funds, unless otherwise approved by the Board of Directors.

*ii) Operating Fund:*

This fund is the accumulation of the incidental surplus and deficit from normal operations of the organization. The Operating Fund balance is used to satisfy the organization’s daily cash flow requirements and should be kept separately in cash or cash equivalent.

iii) The Service Enhancement Fund:

The Service Enhancement Fund is a recurring fiscal year projection of 3% investment earnings on the \$3.4M Contingency Fund value. It can be used by management for a variety of activities, including:

- Enhancing food security for Cota clients (e.g., meal programs in our program sites)
- Supporting clients in desperate financial need (e.g., though a designated account, such as the Brent Bailey Memorial Fund)
- Funding one-time special program initiatives not covered by direct operation funds
- Offering bursaries/tuition assistance for staff and/or clients
- Supplementing staff recognition and wellness activities beyond those attainable through operational funding, or that are not permitted by our funders
- As a funding contribution, in-part or in full, for temporary back-office staffing positions intended to enhance areas of significant importance, as determined by management (e.g., quality improvement, communications, staff training, risk management, fundraising, etc.). Any back-office position funded through the Service Enhancement Fund shall be for a term not to exceed 24 months. There shall be no extensions for any position granted, in part or in full, beyond the 24 month period. If management identifies the need for continuance of the role beyond the initial 24 month period, it is management's obligation to identify/secure operating funds to sustain the position.

Residual unused Service Enhancement Funds remaining in any given fiscal year can be carried over to the next fiscal year and added to the allotment for that year. As such, cumulative Service Enhancement Fund surpluses can be carried forward for use in future years.

Effective utilization of the Service Enhancement Fund, in accordance with the permitted uses above, falls to the discretion of management, subject to final approval by the Executive Director.

iv) Strategic Initiatives Fund:

The Strategic Initiatives Fund represents the net value of reserves once the combined value of the \$3.4M Contingency Fund, Service Enhancement and the Operating Fund have been deducted from the total reserve value.

This fund is to be used to advance the strategic mission and interests of the organization. All usages of the Strategic Initiatives must have received prior approval of the Board. This fund may be used, in a variety of ways which may include, but are not limited to:

- Quality improvement and/or client safety initiatives
- Capital initiatives/expenditures
- Service pilot initiatives
- The support of major transactions/transitional initiatives (e.g., mergers/amalgamations)
- Significant research initiatives
- Awareness Campaigns/Advocacy efforts

The Board of Directors, in considering approving the release of Strategic Initiatives Funds from reserves will consider the potential return on investment (ROI) it may yield for Cota. In doing so it will consider the various forms of ROI that may result. These include but are not limited to:

*Social ROI:* (fulfilling our mission and making a positive impact in the lives of those we support by meeting an unmet need/service gap)

*Quality/Operational Improvement ROI:* (enhancing existing services and/or back office structure in order to deliver high quality services, providing one-time funds for significant initiatives that will generate ongoing savings in operational overheads that can be subsequently reallocated toward direct service deliver)

*Human Capital ROI:* (supporting the organization to become an Employer of Choice)

*Reputation ROI:* (demonstrating leadership through pilot initiatives and/or collective impact initiatives e.g., At Home/Chez Soi, Toronto Alliance to End Homelessness etc.)

*Financial ROI:* (generating other revenue/financial return)

Ideally, approved initiatives will generate the potential for a financial return on investment or an opportunity for expansion, however this need not always be the case.

3. Cota's reserve funds are not to be used to:

- Permanently offset/subsidize critical funding deficiencies relating to Cota's government funded services, as the responsibility of funding these services adequately falls to the respective government source
- Provide increases to bargaining unit salaries, benefits, one-time bonuses and/or other forms of compensation that result from Collective Bargaining, as any such increases must be supported through the revenue we receive from our various government funders

**PROCEDURE:**

1. All profits generated from general purpose fundraising and other business activities not directly associated with our contract arrangements with government funders shall be utilized by Senior Management based on operating requirements. Once a year, unused funds from these activities shall be reported to the Board of Directors who shall designate these funds to the Strategic Initiatives Fund.
2. Annually, as part of the organization's strategic and operating plan development processes, staff and/or the board will identify projected plans/needs that may necessitate access to reserve funds for the upcoming fiscal year. This process will include the identification of management's plans to utilize Service Enhancement Funds. In addition, if it so determines, the board may approve an allocation of reserve funds from the Strategic Initiatives Fund to support strategic initiatives within the organization's operating plan.

3. Approved reserve fund allocations from the Service Enhancement Fund and the Strategic Initiatives Fund will be transferred to a separate chequing account to facilitate payment against approved initiatives. Where appropriate and possible these transfers may occur in phased draws in order to maximize the potential for the greatest investment returns.
4. Management will use funds transferred to this chequing account to support the specific objectives for which they are intended and maintain separate GL accounts for each fund.
5. Management will provide quarterly reports to the Finance and Audit Committee of the Board in relation to activity associated with each approved funding allocation drawn from Reserve Funds.
6. Ad hoc/in-year requests to utilize reserve funds (Strategic Initiatives Fund) may be made by staff and/or the Board to address unanticipated opportunities/issues. In these instances ad hoc requests must be presented to the Board with as much notice as possible. If approved by the Board, procedures 3, 4, and 5 above, are to be followed thereafter.

**Reference: Investment Policy (GOV-5.3)**

<b>POLICY:</b> Investment Policy	<b>POLICY NUMBER:</b> GOV-5.3
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 7
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 22, 2017 (R) November 29, 2014 (R) September 2014

## STATEMENT OF INVESTMENT POLICIES

Cota's investment portfolio is intended to provide financial support to help achieve the vision and mission of the organization. Cota's investment activities are governed by the Trustee Act of Ontario.

The purpose of this Investment Policy is to provide a set of guidelines for management of Cota's Reserve Funds. This Statement supersedes any previous and existing investment policies and will be reviewed annually.

### Investment Portfolios

The letters patent incorporating Cota allow it to invest funds not required for day-to-day operations. Cota's investment portfolio is comprised of the following sub-category fund types, per The Reserve Funds Policy GOV-5.2:

- Contingency Fund; and
- Operating Fund; and
- Organizational Development Fund

Pursuant to Reserve Fund Policy GOV-5.2 these funds types are to be managed by a qualified Investment Manager (the "Manager").

For ease of administration, these fund type sub-categories may be managed within one investment portfolio in accordance with specifications stated in the Portfolio Structure section of this policy. In all instances the appropriate portfolio structure must be maintained in order to satisfy the individual requirements of each fund type

## MANDATE AND RESPONSIBILITIES

### Board of Directors

Cota's Board of Directors Cota (the "Board") has ultimate responsibility for the Reserve Funds. The Board is to ensure that Funds comply with all legal and regulatory requirements.

To assist it in the performance of its duties, the Board will:

- appoint a Finance Committee (the "Committee");

- receive the Committee's recommendations with respect to the portfolio's Statements of Investment Policies and re-approve or amend the Statements, as appropriate, on an annual basis;
- review the Committee's reports on the portfolios' performance and their compliance with the Statements of Investment Policies
- review all other reports and recommendations of the Committee with respect to the portfolios and take appropriate action.

## **Finance Committee**

The Finance Committee will:

- Maintain an understanding of the constraints as well as the legal and regulatory requirements applicable to the portfolios
- Keep the Board of Directors fully apprised of any changes;
- Annually, or when necessary, review the Portfolio's Statements of Investment Policies and recommend to the Board regarding amendment or re-approval. Review of the Statements will be triggered by any legislative or judicial development that might reasonably be expected to affect the way portfolios are structured and managed;
- Formulate recommendations to the Board regarding the selection, engagement or dismissal of the professional investment manager (the "Manager") and/or the Custodian;
- Provide the Manager with the Statements of Investment Policies and any amendments thereto;
- Monitor the portfolios' performance and their compliance with the Statements of Investment Policies and report these matters to the Board at least annually;
- Provide recommendations and regular reports to the Board on all other aspects of the portfolios that the Committee deems appropriate or as requested by the Board;
- Keep the Manager apprised of any developments that will affect the portfolios' cash flow or liquidity requirements;
- Act as liaison between the Board of Directors, the Manager and the Custodian.

## **Investment Manager**

The Investment Manager will:

- Have full discretion in the day-to-day investment management of the portfolios subject to the Statements of Investment Policies;
- Provide regular reports to and meet with the Board or its delegate(s) as specified in the Reporting Section of this Investment Policy;
- Recommend to the Finance Committee any changes to this Investment Policy that the Manager deems appropriate.

## **Custodian**

Custody of the portfolios' assets shall be delegated to a trust company or other financial institution similarly recognized as a depository as approved by the Board of Directors from time to time.

## **PORTFOLIO STRUCTURE**

### **General Objectives**

The portfolios should be structured and managed so as to:

- comply with all applicable legal and regulatory requirements and constraints;
- preserve its purchasing power (i.e., maintain its value on an inflation-adjusted basis);
- maintain an appropriate degree of liquidity and provide a cash flow adequate to meet requirements as determined from time to time by the Board;
- achieve a total long term rate of return that equals or exceeds the return of the composite return index described in Performance Objectives Section of this Policy.

For each Fund, the primary investment objective shall be

- Contingency Fund - the preservation of capital
- Operating Fund – remain in cash or cash equivalent in order to satisfy Cota's operating cash flow requirements
- Organization Development Fund - the maximization of returns without undue exposure to risk

### **Risk Tolerance**

*Definition:*

Risk tolerance refers to the level of volatility of returns that is considered acceptable.

- higher volatility of returns is associated with higher potential for long term appreciation. As compared to fixed income securities, equities are associated with both higher volatility of returns and a higher long term total rate of return.
- portfolios with longer-term investment horizons are in a better position to withstand volatility than portfolios with shorter-term investment horizons and can therefore assume more "risk" in order to achieve higher long term returns.

*COTA Health's Risk Tolerance:*

Insofar as the investment horizon of the Portfolio is long term and its targeted level of return is reflected in its benchmark asset allocation of 5% cash, 50% bonds, 45% equities, its risk tolerance can reasonably be characterized as "moderate".

## Permissible Asset Class Mix and Ranges

The following asset classes are eligible for inclusion within the ranges prescribed below:

Asset Class	Minimum	Maximum	Benchmark Allocation
Cash/Cash Equivalents <i>(note: Operating Fund type shall be 100% invested in Cash/Cash Equivalents)</i>	<b>2%</b>	<b>25%</b>	<b>5%</b>
Fixed Income Securities <i>(note: a minimum value of \$2.5M must be maintained at all times)</i>	<b>40%</b>	<b>60%</b>	<b>50%</b>
*Equities	<b>30%</b>	<b>60%</b>	<b>45%</b>
			<b>100%</b>

*Equities (mix)			
Canadian Equities	<b>15%</b>	<b>30%</b>	<b>22.5%</b>
Non-Canadian Equities	<b>15%</b>	<b>30%</b>	<b>22.5%</b>
Total	<b>30%</b>	<b>60%</b>	<b>45%</b>

Note:

- All percentages based on the market value of the Portfolio.
- The benchmark allocations correspond to allocations to market indices employed in the composite return index as set out in this Policy.
- Allocations to asset classes may vary within the minimum / maximum ranges. These allocations may deviate from their respective benchmarks due to the performance of constituent assets or to decisions made by the Manager.
- The Manager may deviate from the maximum cash level and the minimum bond and equity levels in situations where the Manager believes such action is imperative in order to protect the Portfolios' principal, e.g., in a period of anticipated extreme or actual extreme market volatility. The Manager will notify the Chair of the Finance Committee or delegate as soon as possible that such action has been taken.
- The Manager may deviate from the maxima and minima set out above for brief periods of time in other circumstances, e.g., if capital market pricing fluctuations move the Portfolios outside of permitted asset mix ranges but it is expected that additional fluctuations in the short term will move it back "onside" or if the Manager is planning to re-balance the Portfolios within a short time frame. In these instances, the Manager

shall inform the Chair of the Finance Committee of the situation only if it is expected to persist beyond a period of one calendar quarter.

## **Definitions, Exclusions and Constraints**

### **Cash Equivalents**

- Cash equivalents should consist of money market and short-term fixed income securities with terms to maturity of 0 to 12 months.
- Cash equivalents should have a minimum credit rating of R-1 (minus) (Dominion Bond Rating Service or Canadian Bond Rating Service equivalent).

### **Fixed Income Securities**

- Fixed income securities shall consist of bonds, debentures, or preferred shares.
- Bonds and debentures should have a minimum credit rating of A- (Dominion Bond Rating Service or Canadian Bond Rating Service equivalent) at the time of purchase and be liquid.
- Preferred shares should have a minimum credit rating PFD-2 (Dominion Bond Rating Service or Canadian Bond Rating Service equivalent).
- No individual bond, debenture or preferred share should exceed 10% of the market value of the fixed income securities portion of the Portfolios. Bonds issued or guaranteed by the Government of Canada or one of its agencies or by a Canadian provincial government or one of its agencies are excluded from this provision.
- Investments in foreign currency fixed income securities, including “foreign pay” bonds, shall not normally exceed 15% of the portfolio.

### **Equities**

- Equities shall consist of common stocks, trust units, rights, warrants, installment receipts or other instruments convertible into common shares.
- Individual equities or equities held within equity funds must be listed on a major stock exchange, be of “investment-grade” quality and be liquid.
- No individual equity holding should exceed 10% of the market value of the equities portion of the Portfolios.

### **General**

- Holdings within individual asset categories must be reasonably diversified.
- Indexed funds and pooled funds may be held in the Portfolios.
- Derivative securities may be used in the Portfolios for income generation (e.g. through the sale of covered calls), currency exposure management or to obtain exposure to capital markets through the use of synthetic securities or for general hedging purposes. Derivative securities may not be used for speculative purposes.
- Indexed funds, pooled funds and derivative securities will be categorized as cash equivalents, bonds or equities (Canadian or Non-Canadian) as appropriate given their underlying securities or the capital market that they are intended to track.
- The purchase of securities on margin is not permitted.

- “Short selling” of securities is not permitted.
- The Board may, from time to time, provide the Manager with a list of securities that should not be purchased for or held in the Portfolios. The Manager will remove securities on the list from the Portfolios as soon as practicable and will refrain from re-purchasing those securities or adding others that are on the list until the Manager is notified in writing that it is permissible to do so. The Board may amend the list at any time. The list and any updates will be provided, in writing, to the Manager who will, in turn, acknowledge receipt of the list in writing.
- Gifts to Cota consisting of marketable securities deposited in the Portfolios will be sold as soon as practicable. In the event that, on the date that the securities are deposited, the Manager has definitive plans to purchase the securities for the Portfolio as part of the Manager’s normal course of investment activities, the Manager may retain the deposited securities rather than selling them. This proviso is included so that trading costs may be minimized.

## PERFORMANCE OBJECTIVES

The time-weighted, annualized total rate of return of the asset classes of the investment portfolio will be compared with the annualized return of a composite return index as set out below. It is expected that the rate of return of the Portfolios will match or exceed the rate of return of the composite return index over moving five-year periods.

Asset Class	Benchmark Allocation	Market Index
Cash/Cash Equivalents	5%	30-day Government of Canada Treasury Bills
Fixed Income	50%	SCM Canadian Bond Universe Index
Canadian Equity	22.5%	S&P/TSX Index
Non-Canadian Equity	22.5%	S & P 500, MSCI EAFE Index (\$Cdn)
	100%	

The Manager may under-perform the composite return index over shorter periods. However, it is recognized that significant short-term underperformance may make it unlikely that the full five-year period objective will be achieved. Although the focus of performance assessment will be on moving five-year annualized returns, performance over shorter intervals will also be evaluated to ensure that the manager is employing diligence and prudence and is in compliance with the portfolio’s investment objectives.

## REPORTING

The Manager will provide the Board or its delegate(s) with a written investment report at least quarterly. This report will include a summary and a detailed listing of assets held in the Portfolio, a listing of transactions that occurred in the Portfolio (including deposits, withdrawals, receipt of interest and dividends, realization of capital gains and/or losses and fees paid) over the reporting period and information on the performance of the Portfolio and the benchmark portfolio.

The Manager shall provide the Board or its delegate(s) with compliance statements indicating that the Portfolios are being managed within the guidelines outlined in this Policy on an annual basis or when requested.

At least once each year, the Manager will meet with the Board or its delegate(s). The Manager shall review or comment on:

- the Portfolios' compliance with this policy;
- the Portfolios' performance;
- the investment strategies employed over the last period;
- existing or anticipated economic and investment market conditions;
- the investment strategies that will be employed over the next period.

These meetings will be supplemented by informal contacts between Manager and the Board or its delegate(s) as required.

### **CONFLICTS OF INTEREST**

No fiduciary shall incur any personal gain because of their fiduciary position. This excludes normal fees and expenses incurred in fulfilling their responsibilities if documented and approved by the Board.

Management and oversight functions related to the Portfolios must be carried out in compliance with Cota's Conflict of Interest Policy.

In addition, the Portfolios must be managed in compliance with The Code of Ethics and Standards of Professional Conduct adopted by the CFA Institute shall apply.

### **TERMINATION OF AN INVESTMENT MANAGER**

Reasons for terminating the services of the Manager includes but are not limited to, the following

- performance results that are below the stated performance objectives;
- change in the Manager's personnel, firm structure and investment philosophy, style or approach that might adversely affect the potential return and/or risk level of the Portfolio;
- failure to adhere to the stated investment guidelines;
- change in the structure of the Portfolios and/or Cota's overall financial arrangements such that the Manager's services are no longer required.

Refer Reserve Funds Policy – GOV 3-120

<b>POLICY:</b> Ethical Decisions & Integration Considerations Policy	<b>POLICY NUMBER:</b> GOV-6.1
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 7
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> January 18, 2018 (R) September, 2014

## Policy

COTA Health's Board is committed to making ethical decisions. When presented with situations that require significant deliberation, and with specific situations relating to integration prospects, the board must consider the potential impact of a decision from a variety of perspectives, such as:

1. The integrity of their information gathering
2. The organization's mission, vision and values
3. The organization's strategic objectives
4. The organization's policies and compliance obligations
5. Potential impact on stakeholders (clients, staff, partner organizations and funders)
6. Potential impact on financial health
7. Potential Impact on quality of service
8. Potential impact on reputation

To assist , the board in its ethical decision making and to guide it as it considers potential integration prospects, Cota has developed :

- a) A Criteria to Guide the Board in Ethical Decision Making; and
- b) A Framework for Integration Considerations

The board is encouraged to use these tools, in a formal manner, on a regular basis when presented ethical dilemmas and integration prospects. The board meeting minutes are to formally document when these are used.

### **Criteria to Guide The Board in Ethical Decision Making**

1. Have we employed integrity in our information gathering? For example:
  - Have we involved the right people?
  - Did we have all the information necessary to make this decision?
  - Have options been considered?
  - Are there other viable alternatives?
  - Have we been we being fair in considering the merits of all options?
  - Will we feel comfortable in being transparent about our process and rationale for this decision?
  - Can we share our decision publicly with confidence?
2. Is the proposed decision consistent with vision, mission and values?
3. Is the proposed decision consistent with our strategic directions and objectives?
4. Is the proposed decision consistent with Cota policy, and applicable government regulations or compliance obligations? Is there precedent that needs to be considered? If so, what are

the risks associated with creating a precedent?

5. What is the potential impact of the decision on stakeholders? For example:

- Will this decision bring value to our clients?
  - Will the outcome improve access to or quality of service?
  - What impact will it have, if any, on client safety?
  - How many clients will be impacted?
- What is the potential impact on employees, students and/or volunteers?
  - Will it support efficiency, effectiveness and safety of our workers?
  - Will it improve working conditions, staff engagement, satisfaction and morale?
- What is the potential impact of this decision on our funders?
  - Is it consistent with their priorities/objectives?
- What is the potential impact of this decision on our partners?
  - Will it improve/damage/have no impact on existing relationships?
  - Will it enable us to forge new “value added” relationships?

6. What is the potential impact of the decision on the financial health of the organization?

- Have the financial assumptions, projections and risks been considered?
- Can this be accomplished within existing operating resources?
- Will we need to draw on our reserves? How much?
- Do we have the available resources to invest in this initiative now and into the future?
- Are there additional funds required? How will we raise these funds?

7. What are the potential quality/risk management implications?

- Have we determined ways to measure the impact of our decision?
- Can quality outcomes be measured?
- Do we have adequate human resources to carry this out?
- Do we have adequate expertise to ensure we are successful?
- What are the risk management issues that need to be considered?

8. What is the potential impact to Cota’s reputation?

- Will it advance our brand and positive reputation with:
  - Our clients?
  - Our employees, volunteers, students?
  - Our funders?
  - Our partners?
  - The community at large?
- What is the potential impact to our reputation if we did not make this decision?

## Framework for Integration Considerations

### Purpose:

The framework identifies various junctures in relation to voluntary integration pursuits involving Transfers of Services, Structured Collaborations and/or Mergers/Amalgamations and the critical questions to be explored along the way.

### Preamble:

The Toronto Central LHIN is responsible for overseeing and coordinating effective health care service delivery to residents of the Toronto Central LHIN catchment area. Toronto Central is home to over 1.2 million people, and growing by 7% a year. Presently they rely on over 170 Health Service Providers to do so. The health care system has evolved over several decades and needs to be better aligned to provide optimal care to TC LHIN residents.

Indeed all Ontario LHINs are charged with the same responsibility.

### **What does this mean to Cota?:**

In recent years Cota has developed into a large, diverse and stable organization. We have excellent relationships with our funders and our partners and consistently meet our performance targets. We are viewed as a viable, innovative and effective health service provider. However, we must continue ensuring that our current service offer good “value for money” and have a role to play in ensuring the health system is efficient and sustainable. Exploring voluntary integration opportunities is one possible vehicle for achieving these ends.

Integration is a spectrum of activities that describe how different people, programs, service and organizations can work together toward a common vision. It is not just about mergers and acquisitions. Integrations can take the form of:

- Informal connections/network activities
- Formal partnerships at a service/back office level
- Structured/Strategic Collaborations between organizations to standardize care pathways and/or share services where organizations/brands remain separate
- Formal transfer, merge or amalgamation of services or back office functions

Integration activities should aim to:

- Improve or, at a minimum, produce the same quality and accessibility of care (e.g., address population health needs using models of integrated services)
- Be consistent with LHIN's and Ministry's directions

- Be cost-effective.

In recent years, Cota has been advancing the integration agenda through a variety of activities. In moving forward, we will encounter many more opportunities to consider voluntary integrations. Most will proceed at an operational level, because they pose little risk to Cota or are of obvious strategic interest, but some may require significant Board level engagement and guidance. These would typically relate to integrations involving:

- A transfer of Cota services to another provider (divestment)
- Cota assuming the transfer of services from another provider
- Structured collaborations (e.g., UHN)
- Outright Mergers/Amalgamations

Even within this limited set of considerations, there are an overwhelming number of opportunities to be explored. One of our greatest challenges may be to prioritize which ones make most sense to pursue.

This framework has been developed to help management and the Board to work through those discussions and decisions. The framework identifies various junctures in the decision making process and critical questions to be explored along the way. These are detailed in the following section “Decision Junctures”.

## **Decision Junctures:**

### ***1. Identification of Opportunities***

There are so many potential opportunities to be explored that this may be the most challenging task for Cota to sort through. While we may choose to strategically identify certain opportunities to pursue, others may be unexpected opportunities presented to us by a partner or a funder.

At minimum, the annual Board Retreat will serve as the primary vehicle through which management and the Board will attempt to identify the types of strategic integration pursuits that Cota could/should be exploring.

The following guiding questions may assist in this regard:

- What are the top challenges/unmet needs of the people we serve?
- Are we experiencing difficulty providing quality oversight and strategic leadership to any of our services?
- Are we experiencing significant operational challenges on any fronts?
- Are there any back office pressures we are experiencing?
- Are there services we should be looking to divest?
- Are there services we would benefit from bolstering?

- Are there geographic areas we should be looking to withdraw services from?
- Are there geographic areas that we should be looking to bolster our presence in?
- Are there value added relationships, structured collaborations and/or merger arrangements that could make a positive impact on these fronts?
- Have the LHINs identified a specific area of focus that we should be pursuing?
- Which is of most critical importance to us and why?

In the event where we are approached/presented with an unexpected opportunity, it is recommended that we automatically proceed to the next step of Initial Exploratory activity.

## **2. Initial Exploratory Activity**

Initial exploratory activity regarding potential transfer of services, structured collaborations and or amalgamations may be delegated to the Executive Director, but may also enlist the support/involvement of Board members (e.g., President or Directors who may be “Knowledge Experts”).

The Executive Committee will oversee these activities and provide support and counsel as needed through the process.

This stage would be largely fact finding and reporting back to the Board on the nature of the opportunity. In considering whether or not to dedicate significant time and resources in a due diligence process, the Board may wish to examine the following questions first:

- Have we employed integrity in our information gathering? For example: were the right people involved and do we have enough information to decide whether or not to proceed to a comprehensive due diligence process?
- Would the pursuit of this opportunity be consistent with our strategic directions and objectives?
- Could this opportunity result added value to our clients?
  - Will the outcome improve access to or quality of service?
  - What impact will it have, if any, on client safety?
  - How many clients will be impacted?
- What is the potential impact on employees, students and/or volunteers?
  - Will it support efficiency, effectiveness and safety of our workers?
  - Will it improve working conditions, staff engagement, satisfaction and morale?
- What potential impact would this have for our funders?
  - Is it consistent with their priorities/objectives?
- What potential impact would this have on our partners?

- Will it improve/damage/have no impact on existing relationships?
- Will it enable us to forge new “value added” relationships?
- What is the most significant strategic advantage potentially pursuing this opportunity?
- What are the projected timelines/costs associated with conducting a comprehensive due diligence process?
- Do we have the internal resources and/or can we secure any support from a funder/consultant?
- Does the timing work for us? Can we take this on now?

### **3. Comprehensive Due Diligence**

There many levels of detail to be explored via a comprehensive due diligence process and there are available resources to help guide this work. Suffice it to say that the key decisions here are for the Board to decide:

- What tool or approach to use
- How to resource the exercise
- The timelines and expected deliverables of the exercise (e.g., format and content of final report)

The Executive Committee would oversee due diligence activities, regardless of how the work has been delegated, and provide support and counsel as needed through the process.

### **4. Final Decision to Proceed or Not**

At the completion of a due diligence process the Board will be tasked with making the final decision regarding whether or not to proceed in submitting the plans for the integration to the LHIN. Prior to doing so, the Board will need to consider questions such as:

- Are we satisfied with the integrity of the Due Diligence process and the quality of the final report in that regard?
- Do we have all the information necessary to make this decision?
- Do we feel comfortable in being transparent about our process and rationale for this decision?
  - Can we share our decision publicly with confidence?
- Is the proposed decision consistent with vision, mission and values?
- Is the proposed decision consistent with our strategic directions and objectives?
- What is the potential impact of the decision on stakeholders? For example:
  - Will this decision bring value to our clients?
    - Will the outcome improve access to or quality of service?

- What impact will it have, if any, on client safety?
- How many clients will be impacted?
  
- What is the potential impact on employees, students and/or volunteers?
  - Will it support efficiency, effectiveness and safety of our workers?
  - Will it improve working conditions, staff engagement, satisfaction and morale?
  
- What is the potential impact of this decision on our funders?
  - Is it consistent with their priorities/objectives?
  
- What is the potential impact of this decision on our partners?
  - Will it improve/damage/have no impact on existing relationships?
  - Will it enable us to forge new “value added” relationships?
  
- What is the potential impact of the decision on the financial health of the organization?
  - Have the financial assumptions, projections and risks been considered?
  - Can this be accomplished within existing operating resources?
  - Will we need to draw on our reserves? How much?
  - Do we have the available resources to invest in this initiative now and into the future?
  
- What are the potential quality/risk management implications?
  - Have we determined ways to measure the impact of our decision?
  - Can quality outcomes be measured?
  - Do we have adequate human resources to carry this out?
  - Do we have adequate expertise to ensure we are successful?
  - What are the risk management issues that need to be considered?
  
- What is the potential impact to Cota’s brand?

<b>POLICY:</b> Strategic and Operating Plans	<b>POLICY NUMBER:</b> GOV-6.2
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 4
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018 (R) September, 2014

**Policy:**

COTA Health is committed to ensuring that the organization’s Board of Directors and Senior Management Team conduct comprehensive strategic and operating plan development processes on a regular basis. As such we have adopted a framework to guide these activities.

At COTA Health our approach to organizational planning includes three key processes. These are:

1. Strategic Planning
2. Annual Operating Plan Development and Approval
3. In-Year Considerations

**The Organization’s Planning Framework:**

***1/ Strategic Planning***

Strategic planning is the process through which COTA Health’s Board of Directors and senior staff consider higher level questions pertaining to COTA Health’s strengths, weakness, opportunities and threats and develops longer-term stretch goals for the organization. The strategic planning process is also an opportunity to revisit the organization’s vision, mission and values (MVs).

At COTA Health the Board of Director’s oversees the strategic planning process and provides guidance to the organization’s leaders as they develop and update both COTA Health’s long-term vision and strategy for achieving the vision. A comprehensive strategic planning review/development process is undertaken once every three to five years.

The process of establishing a strategic plan for the organization involves conducting an environmental scan of emerging political, health care, social service and demographic trends. It also involves partnering with staff, clients/families and external stakeholders throughout the development process (e.g., via a client and family advisory council, interviews, focus groups and/or surveys) to ensure that their input is heard and carefully considered

Information that is gathered from all of the relevant processes and stakeholders listed

above, a draft plan may be developed and introduced for further consultation. Ultimately, a recommended strategic plan and any proposed changes to the MVVs are to be brought forward for discussion in a strategic planning retreat with the Board of Directors and Senior Management team. The intended outcome of the retreat is to emerge with the confirmed MVV statements and elements of a new strategic plan for the organization for the next three to five years and identified timeframes for achieving strategic goals and objectives. Throughout the strategic planning process the Board of Directors ensures that the decisions it makes are consistent with the *“Criteria to Guide the Board in Ethical Decision Making”*.

Once the Board of Directors has approved the MVV statements and strategic plan for the organization, the Executive Director becomes responsible for ensuring the development of the written MVVs and strategic plan and for communication of the same back to various stakeholders. Subsequent to this, the Executive Director and Senior Management Team become accountable for implementing all necessary activities to ensure the successful achievement of the strategic plan within identified timeframes. Progress against the strategic plan is reported on a quarterly basis, by Senior Management, to the Board of Directors via the Quality & Performance Committee of the Board of Directors.

An ongoing environmental scan is conducted by the Executive Director highlighting any political, economic, social, technological or other factors that may affect the organization and is presented to the Board of Directors via Executive Director Reports at each Board of Directors meeting. In addition, the annual Board of Directors retreat is used as an opportunity to review and discuss environmental factors that may impact the organization.

If significant trends, changes and/or challenges emerge through the organization’s ongoing environmental scanning processes, then the strategic plan, goals and objectives may be adjusted accordingly. The organization will partner with staff, clients/family, for input, as any changes are being considered.

COTA Health’s commitment to quality and client safety must be reflected in each strategic plan.

## ***2/ Operating Plan Development and Approval***

Every year COTA Health’s Senior Management Team is responsible for developing the organization’s operating plan for the upcoming fiscal year and submitting it to the Board of Directors for review and approval. In developing the annual Operating Plan for the organization the Senior Team attempts to strike an appropriate balance in allocating the organization’s resources to support:

- 1) Our mandated operations (programs/services, service delivery targets, etc.)
- 2) Identified strategic priorities, per our Strategic Plan
- 3) Annual quality improvement initiatives
- 4) Staff and Service User safety initiatives
- 5) Staff recognition and wellness initiatives
- 6) Staff learning and development plans
- 7) Identified back office/equipment/space needs (e.g., IM/IT, facilities, leases, etc.)
- 8) COTA Health’s ongoing contributions to service sector advancements

Our operating plan development process typically begins in September/October of each year. It is at this time that the Senior Management Team begins reviewing information

relating to 1) through 8) above as they attempt to determine how to best allocate resources in the upcoming fiscal year. Information reviewed to assist with this exercise includes:

- Funder documents relating to new initiatives, identified priorities, health trends, legislative requirements, funding announcements, etc. (e.g., LHIN Integrated Health Service Plans)
- Various sector initiatives to be launched and/or supported in the upcoming fiscal year (e.g., implementation of OCAN, coordinated access mechanisms, etc.). Note this is informed, in part by COTA Health's active participation in a variety of sector networks, planning tables and task forces.
- Funder contact requirements (e.g., service targets to be met)
- Objectives within COTA Health Strategic Plan
- Feedback obtained through staff, client and external stakeholder satisfaction surveys in accordance with COTA Health's Satisfaction Surveys – Service Users, Partner Agencies and Other Stakeholders (Policy A-4-300). Service user satisfaction information is collected on an annual basis; funder and partner agency satisfaction survey results are collected every three years. A Staff engagement survey is conducted every other year.
- Projected work plans of internal committees and related funding requests
- Funding requests from internal teams

The Executive Director is responsible for developing a summary of the information above and presenting it to the Board of Directors at the annual Board of Directors planning retreat in October. At this retreat the Board will have opportunity to discuss the various trends, pressures and opportunities and provide advice to the Senior Management Team as they continue to develop the Operating Plan for the upcoming fiscal year.

At any time throughout their process the Senior Management Team may develop drafts of the Operating Plan or questions/scenarios and seek further input and feedback from others (e.g., leadership team, staff, external stakeholders, etc.).

If significant changes to services or funding allocations are being considered, the Executive Director is to ensure that the appropriate community engagement (e.g., partner agencies, staff and/or clients) and funder processes are followed in proposing such changes (e.g., submission of a Health Service Improvement Plan as required by the LHIN).

The Senior Management Team is responsible for presenting a final version of the operating plan to the Board of Directors, each year in February (or at an earlier date as may be required due to funder expectations), for approval. Once the operating plan has been approved by the Board of Directors, pertinent information relating to it is communicated throughout the organization by the Executive Director via internal communication updates or Town Hall meetings.

### ***3/ Implementing the Operating Plan***

Once COTA Health Operating Plan has been approved and put into place it is expected that the organization achieve its objectives and manage within its approved budget. The responsibility for oversight of implementation and operations falls to the Executive Director. Day to day financial and operating decision are made by staff, not the Board. On a quarterly basis COTA Health’s budget position and service delivery data is reported to the Board of Directors so that the board may provide appropriate governance oversight.

**4/ In-Year Considerations**

Within any given fiscal year, COTA Health’s financial/budget circumstances may change due to:

- An unexpected announcement of a base funding increase from one of our funders
- An internal surplus generated due to unforeseen year to date under spending (e.g., resulting from unfilled staff vacancies, initiatives that did not begin on time, etc.)
- Shortfalls due to overspending in certain areas

Under these circumstances the Senior Management Team must develop a plan to address these in-year considerations and to ensure that the organization maintains a balanced budget position.

In the fortunate position of facing a fiscal surplus, staff must consider how to best invest the extra funds to achieve any outstanding objectives or new pressures that have arisen since the time that the Operating Plan for the fiscal year was initially developed. In the unfortunate position of facing a fiscal deficit, staff must consider how best to assist the organization to save funds for the duration of the fiscal year. In both situations the processes of making these decisions falls to the Executive Director who may involve discussions with the Board, the leadership team, staff, clients, partner agencies and/or external stakeholders, as appropriate.

<b>POLICY:</b> Quality and Risk Management Oversight	<b>POLICY NUMBER:</b> GOV-6.3
<b>SOURCE:</b> Board of Directors	<b>PAGE(S):</b> 1 OF 2
<b>APPROVED BY:</b> Board of Directors	<b>DATE APPROVED/LAST REVIEWED:</b> June 20, 2018 (R) September, 2014

**Policy:**

COTA Health's board recognizes its role in inspiring a culture of continuous quality improvement and for ensuring that the organization has appropriate risk management strategies in place. . The board is committed to a philosophy that promotes an honest, open and non-punitive environment and considers mistakes and adverse incidents as opportunities for learning and improvement, while minimizing the risk in a timely fashion.

**Quality and Risk Management Oversight Process:**

The Board is responsible for ensuring that the organization has appropriate risk management and quality improvement practices in place to:

- a) Identify, report, assess and manage risk to the organization; and
- b) Identify, implement and track annual quality improvement undertakings

The Board oversight is carried out with the assistance of the Quality & Performance Committee of the Board. The Quality & Performance Committee is responsible for reporting on the status of the organization's occurrence trends, risks and quality improvement efforts on a quarterly basis and for formally reviewing staff's overarching frameworks for managing these matters on an annual basis.

To assist with these efforts, the Board ensures that the organization adopts implements and maintains an Enterprise Risk Management Framework (ERMF). The Board then charges the senior management team, via the Executive Director, with the responsibility of leading the process of risk identification and monitoring through the implementation of the ERMF. In turn, the senior management team works with the Quality & Performance Committee of the Board to develop an annual Enterprise Risk Assessment report to the Board at the annual Board Retreat. The Quality & Performance Committee will ensure that the report, developed by management, identifies and weights risks in alignment with the Board's perspective. Following the annual Board Retreat, the Quality & Performance Committee will work with the senior management team to ensure mitigation tactics are implemented for risks that have been identified as most critical to the organization.

*Note: In recognition that that organizations have better outcomes when the governing body devotes at least 25% percent of its time on quality and risk issues, the board will ensure that quality improvement and risk management is a standing item on its meeting agendas.*

In addition, the Board may also demonstrate its commitment to continuous quality improvement by supporting the issuing of *Inspiring Change* awards to recognize the specific contributions and achievements of select Cota staff/teams, partnerships or sector stakeholders, as appropriate, at Annual General Meetings and/or Cota Staff Recognition events.

