

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

<b>Mandate</b>	The Committee will exercise oversight and stewardship over human, financial, information management and property resources of the Kemptville District Hospital (KDH).
<b>Duties and Responsibilities</b>	<p><b>Financial Resources</b></p> <ul style="list-style-type: none"> <li>• Ensure appropriate processes and procedures are in place for the development, review and approval of the annual operating, cash flow and capital budgets</li> <li>• Ensure appropriate processes and procedures are in place for ongoing management of operational and capital expenditures and ensure the hospital has complied with all statutory filings</li> <li>• Review and recommend approval of year to date corporate financial statements as prepared by management, to the Board</li> <li>• Oversee policy &amp; procedures with respect to financial reporting, internal controls and financial infrastructure systems</li> <li>• Review, monitor and provide recommendations to the Board on financial measures to ensure compliance with the Hospital's strategic plan</li> <li>• Review and provide recommendations to the Board regarding financial resources including banking arrangements, lines of credit, borrowing, long term debt and investments and potential risks related thereto</li> <li>• Advise the Board on other financial matters as required</li> </ul> <p><b>Financial Audit</b></p> <ul style="list-style-type: none"> <li>• Review and recommend the annual audit fees to the Board</li> <li>• Review the Auditors' performance and recommend appointment of Auditors to the Board</li> <li>• Review and recommend the approval of the audit plan and the Auditor's annual engagement letter to the Board</li> </ul>

- Review statements from the Auditor concerning their independence
- Review and recommend the approval of the audited financial statements and related notes to the financial statements to the Board
- Authorize special review mandates or investigations to address any areas of concern within the Committee's scope of responsibilities including retaining independent legal counsel and other professionals
- Review scope and fees associated with any authorized special review mandates
- Seek confirmation of compliance to generally accepted accounting principles and all new accounting, auditing and reporting standards
- Review the Auditor's management letter and oversee the follow-up on any related audit recommendations or on other matters raised

**Human Resources**

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

**Property Resources**

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

	<p>renovations and disposition and use of real estate</p> <p><b>Information Management</b></p> <ul style="list-style-type: none"><li>• Review and make recommendations to the Board regarding the Hospital's Information Management strategy, including:<ul style="list-style-type: none"><li>○ alignment of information technology and the Hospital's strategic plan</li><li>○ delivery of value by information technology to the quality of care, service, efficiency and organizational performance of the Hospital, including the development and monitoring of performance metrics</li></ul></li></ul> <p><b>Status</b></p> <ul style="list-style-type: none"><li>• To be designated by the Canada Revenue Agency (CRA) as a hospital authority (according to CRA HST Memorandum 25.2 dated March 2009), an organization must operate a facility that meets all of the following criteria:<ul style="list-style-type: none"><li>○ it is recognized as a public hospital by the government of the province or territory where it is located;</li><li>○ it is established and operated solely for a purpose other than profit;</li><li>○ it is operated for the purposes of providing medical or surgical treatment of the sick or injured; and</li><li>○ it provides and maintains in-patient beds and services.</li></ul></li><li>• The Corporate Services Committee should ensure that KDH operations stay within the guidelines set out by CRA in order to maintain its non-taxable status and its eligibility for all funding to which it is entitled as a public hospital. The Committee may ask the independent auditors to make separate specific comment on this while discussing the results of the annual audit.</li></ul>
<p><b>Membership</b></p>	<p>The Committee is composed of the following voting members:</p> <ul style="list-style-type: none"><li>• Treasurer of the Corporation who acts as the Chair</li><li>• Chair of the Board</li><li>• CEO</li><li>• Vice Chair of the Board</li><li>• Chief of Staff or one physician recommended by the Medical</li></ul>

	Advisory Committee <ul style="list-style-type: none"><li>• Up to four other members of the Board</li></ul>
<b>Term</b>	Members shall be appointed annually by the Board.
<b>Chair</b>	The Treasurer of the Corporation will be the Chair of the Committee.
<b>Frequency of Meetings</b>	At least five times per year, at least one week prior to the meeting of the Board.
<b>Quorum</b>	A majority of voting members shall constitute a quorum, with exception of the Board Chair.
<b>Resources</b>	The Chief Financial Officer of the Hospital is the secretary of the Committee and attends all meetings. Other staff resources may be added at the discretion of the Chair.
<b>Accountability</b>	The Corporate Services Committee is accountable to the Board.