

**GOVERNANCE COMMITTEE  
TERMS OF REFERENCE**

**1. PURPOSE**

The Governance Committee (the “Committee”) of the Vancouver Island Health Authority (“Island Health”) Board of Directors (the “Board”) assists the Board in review and oversight of the following areas:

Strategic Governance

- Multi-Year Strategy, Annual Goals and Plans
- Performance Monitoring
- Enterprise Risk Management

Fiduciary Governance

- Board governance
- Board composition and succession planning
- Director orientation and professional development
- Board and director effectiveness and evaluation
- Board code of conduct and conflict of interest

**2. COMPOSITION AND OPERATIONS**

- A. The Committee shall be composed of not fewer than three directors each of whom shall be independent of Management.
- B. The majority of Committee members shall be familiar with best practices in corporate governance and have previous relevant board experience.
- C. The Committee shall operate in a manner consistent with the Committee Guidelines outlined in the Board Manual.
- D. The Committee shall review its Terms of Reference annually to ensure they meet the needs of the Board.
- E. The Committee makes recommendations and does not act on behalf of the Board unless specific delegated authorities have been given.
- F. The Committee shall meet at least five times per year.

**GOVERNANCE COMMITTEE  
TERMS OF REFERENCE**

**3. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board, the Committee will perform the duties listed below.

***Strategic Governance***

**A. Multi-Year Strategy, Annual Goals and Plans**

- i. Review progress against Committee assigned multi-year strategies at each regularly scheduled meeting

**B. Performance Monitoring**

- i. Monitor performance measures in relation to Committee assigned multi-year strategies
- ii. Establish new performance measures as required to ensure alignment with targets outlined in the strategic plan.

**C. Enterprise Risk Management**

- i. Regularly oversee performance on Committee assigned mitigation strategies on high-priority identified enterprise risks, ensuring strategies are embedded into annual plans and priorities reviews noted in subsections 3.(A) (Multi-Year Strategy, Annual Goals and Plans) and (B) (Performance Monitoring) above.

***Fiduciary Governance***

**D. Governance**

- i. Ensure appropriate governance principles, structures and procedures are in place to allow the Board to function effectively.
- ii. Review Island Health's Board Manual bi-annually, or more frequently as required.
- iii. Review and recommend to the Board, as appropriate, proposed changes to committee Terms of Reference recommended by other committees.

**GOVERNANCE COMMITTEE  
TERMS OF REFERENCE**

- iv. Ensure there is a system that enables a Committee or Director to engage separate independent counsel in appropriate circumstances, at the Authority's expense, and be responsible for the ongoing administration of such a system;
- v. Receive the annual budget allowance for Board operations for information.

**E. Board Composition and Succession Planning**

- i. Consider and recommend to the Board, as appropriate, the ideal skills, qualifications, experiences and background required of the Board as a whole based on the short-term and long-term needs of Island Health, any challenges facing Island Health, and the Board's leadership requirements ("Needs Matrix").
- ii. Annually review the composition of the Board as a whole and recommend, if necessary, changes to the Needs Matrix.
- iii. As vacancies arise, review and update the Needs Matrix and compare it to the skills of continuing directors; identify any gaps that should be filled ("Director Recruitment Profile") and, through the Board Chair, seek Government's approval of the Director Recruitment Profile.
- iv. Through the Board Chair, provide Government with a performance evaluation for all directors seeking re-appointment.

**F. Orientation and Professional Development**

- i. Create and oversee a comprehensive orientation program for new directors.
- ii. Recommend to the Board an annual professional development program for the Board and as required for individual directors.
- iii. Each director must complete a minimum of four hours of education per calendar year in an areas related to executing their duties as a director.
- iv. Each director is required to complete all mandatory courses outlined in the annual professional development program approved by the Board, subject to course availability.

**GOVERNANCE COMMITTEE  
TERMS OF REFERENCE**

- v. In addition, each director is encouraged to participate in additional educational sessions based on the director's needs, the needs of the committees on which he/she serves and the needs of the Board as a whole.
- vi. Educational sessions include courses, forums, workshops, or may be delivered in some other format held by Island Health or an external organization and must be pre-approved by the Board Chair.

**G. Board and Director Evaluation**

- i. Lead the annual review process for evaluating the effectiveness of the Board, committees, the Board Chair, committee Chairs and directors.
- ii. Recommend to the Board, as appropriate, the annual review process for the above areas of evaluation.

**H. Meeting Evaluation**

- i. Working with the Board Liaison, regularly monitor Board and committees meeting effectiveness and report on feedback to the Board Chair.

**I. Director Code of Conduct and Conflict of Interest**

Ensure that Island Health has a Director Code of Conduct and Conflict of Interest policy in place that ensures each director:

- i. acts at all times in full compliance with both the letter and spirit of all applicable laws and avoids any situation which could be perceived as improper or indicate a casual attitude towards compliance; and
- ii. does not use his/her position with Island Health to pursue or advance his/her personal interests, the interests of related persons or the interests of a person to whom the director owes an obligation, and avoids any situation which may appear to be a conflict that could interfere with the director's judgment in making decisions in Island Health's best interest.

**GOVERNANCE COMMITTEE  
TERMS OF REFERENCE**

**4. ACCOUNTABILITY**

The Committee shall report its discussions to the Board by maintaining minutes of its meetings and provide a detailed written report including any recommendations for approval at the next Board meeting.

**5. COMMITTEE CALENDAR**

The Committee's workplan of activities is outlined in an annual planning calendar.