

Category: BOARD POLICY – BOARD PROCESS	
Title: TERMS OF REFERENCE: Director	Reference Number: AB 120
Approved by: PHSA Board of Directors	Last Approved: June 22, 2023 Last Reviewed: June 22, 2023

I. INTRODUCTION

Broadly speaking, a Director (“Director”) of the Provincial Health Services Authority (“PHSA”) has several fundamental obligations to fulfill.

II. GUIDING PRINCIPLES

A. Fiduciary Duty and Duty of Care

As a fiduciary of PHSA and in keeping with common law and *BC Societies Act* requirements, the Director acts ethically, honestly and in good faith with a view to the best interests of PHSA and in so doing, supports PHSA in fulfilling its mission and discharging its accountabilities. A Director exercises the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The key elements of this standard of behaviour include that Directors:

- i) must act in the best interests of PHSA and not in their self-interests. This also means that Directors should not be placing the best interests of a special interest group or constituency above the interests of PHSA;
- ii) cannot take personal advantage of opportunities that come before them in the course of performing their Director duties;
- iii) must disclose to the Board any personal interests that they hold that may conflict with the interests of PHSA;
- iv) must respect the confidentiality requirements of PHSA's Code of Conduct and Conflict of Interest Guidelines;
- v) participate in Board activities in a meaningful way;

- vi) be vigilant to ensure PHSA is being properly managed and is complying with laws applicable to PHSA; and
- vii) complying with the Standards of Behaviour set out below.

III. STANDARDS OF BEHAVIOUR ESTABLISHED BY THE BOARD

The Board has established the following standards of behaviour for Directors.

A. General

As a member of the Board, each Director will:

- i) demonstrate a solid understanding of the role, responsibilities and legal duties of a Director and the governance structure of PHSA;
- ii) demonstrate high ethical standards in personal and professional dealings; and
- iii) understand the difference between governing and managing, and not encroach on Management's area of responsibility.

B. Strategies and Plan

As a member of the Board, each Director will:

- i) demonstrate an understanding of PHSA's strategic direction;
- ii) contribute and add value to discussions regarding PHSA's strategic direction; and
- iii) participate in monitoring and evaluating the success of PHSA and the CEO in achieving established goals and objectives.

C. Preparation, Attendance and Availability

As a member of the Board, Directors will:

- i) prepare for Board and Committee meetings by reading reports and background materials distributed in advance;
- ii) maintain an excellent Board and Committee meeting attendance record¹;
- iii) organize themselves so as to be able to attend the entire Board or committee meeting, not just parts of meetings;

¹ The target is 100% attendance. Anything less than 80%, without extenuating circumstances, would be considered unsatisfactory.

- iv) participate in Committees and contribute to their purpose; and
- v) in the event that a Director fails to attend three consecutive meetings of the Board, without reasonable cause, the Secretary is required by the PHSA's bylaws to so advise the Minister of Health in writing.

D. Communication and Interaction

As a member of the Board, each Director will:

- i) demonstrate good judgement;
- ii) interact appropriately with the leadership and management of the Authority;
- iii) participate fully and frankly in the deliberations and discussions of the Board;
- iv) be a positive and constructive force within the Board;
- v) demonstrate an openness to others' opinions and the willingness to listen;
- vi) have the confidence and courage to make tough decisions, including the strength to challenge the majority view;
- vii) maintain collaborative and congenial relationships with colleagues on the Board; and
- viii) advise the Chair in advance when introducing significant and/or previously unknown information or material at a Board meeting. The Chair will then advise the CEO.

E. Organizational Knowledge

Recognizing that sound decisions can only be made by well-informed Directors, each Director will:

- i) become generally knowledgeable about the PHSA's operations, and how PHSA's role in the provincial health care system;
- ii) participate in Director orientation and development programs developed by PHSA from time to time; and be proactive in developing individual plans for ongoing education;
- iii) maintain an understanding of the regulatory, legislative, social and political environments within which PHSA operates; and
- iv) become acquainted with the PHSA's senior managers.

F. Confidentiality

Every Director shall respect the confidentiality of the information of PHSA, including matters brought before the Board and all committees, keeping in mind that unauthorized disclosure of information could adversely affect the interests of PHSA.

G. Education

A Director seeks opportunities to be educated and informed about the Board and the key issues in PHSA and broader health care system. In addition to participating in orientation and on going Board education, all non-indigenous Directors will participate in the San'yas program.

H. Evaluation and Continuous Improvement

A Director is committed to a process of continuous self-improvement as a Director. All Directors participate in evaluation of the Board and act upon results in a positive and constructive manner.

I. Formal Dissent

A Director reviews the minutes of the previous meeting on receipt and insists that they record any Director's disclosure, abstinence or dissent. A Director who is absent from a Board meeting is deemed to have supported the decisions and policies of the Board adopted at the meeting . unless the Director . formally records a dissenting view with the Board Secretary. While an absent Director may formally record a dissenting view at the next meeting at which the Director is in attendance, this does not change the decision reached by the Board.

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