

**LAKE OF THE WOODS DISTRICT HOSPITAL
BOARD OF DIRECTORS**

POLICY MANUAL

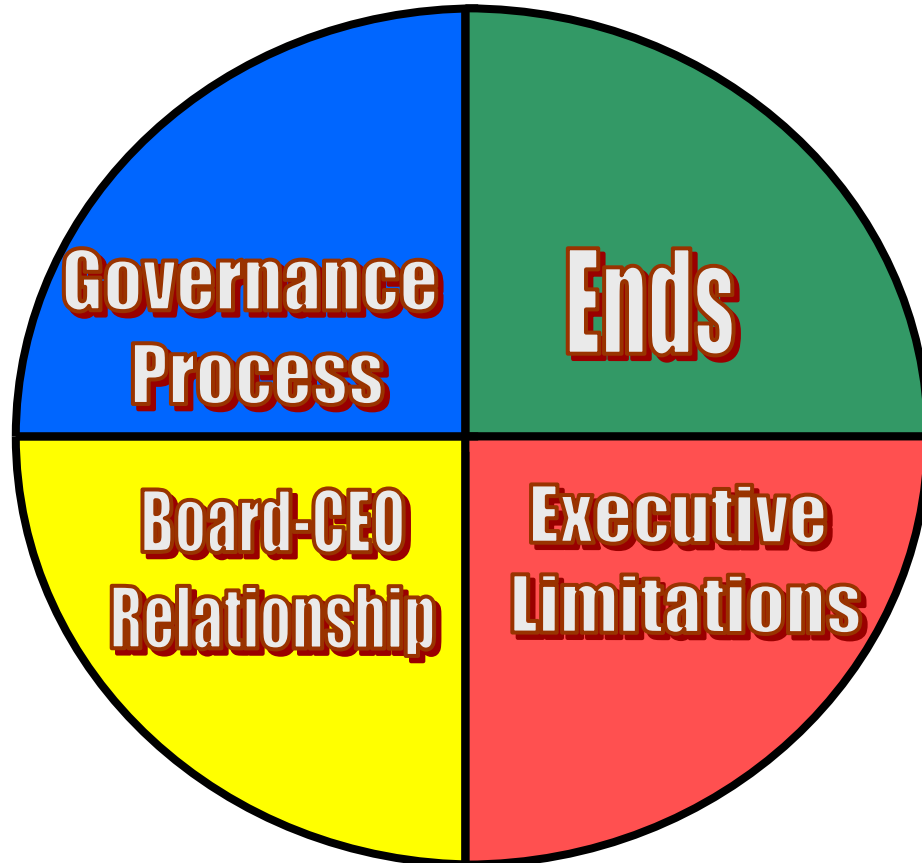
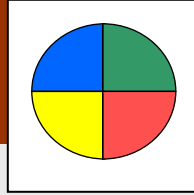


TABLE OF CONTENTS

BOARD OF DIRECTORS POLICIES



Instructions to Board:

Instructions to CEO:

GOVERNANCE PROCESS

- GP Global Governance Commitment
- GP-1 Vision and Values
- GP-2 Governing Style
- GP-3 Board Members' Code of Conduct
- GP-4 In Camera Meetings
- GP-5 Board Job Description
- GP-6 Chairperson's Role
- GP-7 Board Committee Principles
- GP-8 Board Committee Structure
 - GP-8.1 Audit Committee Terms of Reference
 - GP-8.2 Executive Committee Terms of Reference
 - GP-8.3 Ownership Linkage Committee Terms of Reference
 - GP-8.4 Governance Committee Terms of Reference
 - GP-8.5 CEO Evaluation & Compensation Committee
 - GP-8.6 Nominating Committee Terms of Reference
 - GP-8.7 Building a Future Committee Terms of Reference
- GP-9 Board and Committee Expenses
 - GP-9.1 Board Education Policy
- GP-10 Investment in Governance
- GP-11 Charge to Chief of Medical Staff
- GP-12 Board Linkage With Community
- GP-13 Board Linkage With Other Organizations
- GP-14 Board Planning Cycle and Agenda Control
- GP-15 Board Succession Planning
- GP-16 Handling of Operational Complaints
- GP-17 Rules of Order
- GP-18 CEO Recruitment

BOARD-CEO RELATIONSHIP

- BC Global Board-CEO Relationship
- BC-1 Unity of Control
- BC-2 Accountability of the CEO
- BC-3 Delegation to the Chief Executive Officer
- BC-4 Monitoring CEO Performance
- BC-5 Complaints Re: CEO or Chief of Staff

ENDS

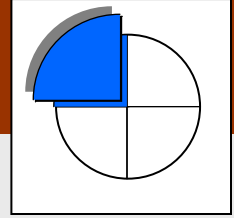
- E Mission
- E-1 People Achieve Optimum Outcomes
- E-2 Information for Positive Lifestyle Choices
- E-3 Partners have Enhanced Capacity

EXECUTIVE LIMITATIONS

- EL General Executive Constraint
- EL-1 Planning: Hospital Strategic Plan
- EL-2 Planning: Financial
- EL-3 Financial Condition and Activities
- EL-4 Protection of Assets
- EL-5 Treatment of Clients
- EL-6 Treatment of Staff
- EL-7 Communication and Support to Board
- EL-8 Compensation and Benefits
- EL-9 Leadership Capacity & Continuity
- EL-10 Significant Service Changes
- EL-11 Environmental Impact
- EL-12 Ethical Behaviour

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Global Governance Commitment

Number: GP

Policy Type: Governance Process

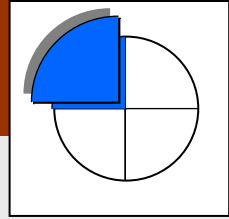
Date Approved: October 7, 2004

Date Revised:

The purpose of the Board, on behalf of the community, is to determine what benefits the Hospital should produce, for which people, at what cost; to ensure those benefits are produced, and to ensure that unacceptable actions and situations are avoided.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Vision and Values

Number: GP-1

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: December 6, 2007
February 4, 2010

Vision

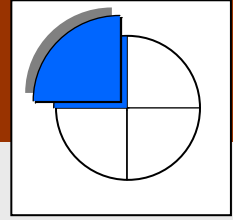
- State of the art new facility.
- Effective E-Health system.
- Appropriate sufficient workforce.
- Well governed sustainable funding.
- Healthy lifestyle choices.
- Timely access to primary health care.
- Seamless continuum of collaborative services.
- Visible health care system inspiring confidence.

Values

- Publicly Funded - Publicly funded system.
- Sustainable - Sustainability with resources and people for the future.
- Accountable - Accountability to the public.
- Inclusive Care - A level of care that is inclusive.
- Shared Support - Health care is a shared responsibility of the individual, community and government.
- Personal Responsibility - People are responsible for their own health.
- Continuous quality improvement and innovation.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Governing Style

Number: GP-2

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: February 1, 2007

February 4, 2010

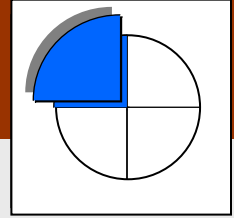
The Board will govern with a style which emphasizes outward vision rather than an internal preoccupation; commitment to obtaining input from residents of the Kenora catchment area; encouragement of diversity in viewpoints; strategic leadership more than administrative detail; clear distinction of Board and Chief Executive roles; collective rather than individual decisions; future rather than past or present; and proactive rather than reactive.

More specifically, the Board will:

1. Operate using the principles of the Policy Governance[®] model.
2. Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing.
3. Initiate policy, not merely be a reactor to staff initiatives.
4. Use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute individual judgments for the Board's values.
5. Not allow an officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.
6. Direct, control and inspire the Lake of the Woods District Hospital through the careful establishment of Board written policies reflecting the Board's values and perspectives about ENDS to be achieved, means to be avoided (Executive Limitations), and the organization's need for relative balance between considerations of on-going operations and organizational maintenance; and on-going Ends focus, future focused strategic thinking, continual quality improvement and innovation.
7. Focus on the intended long-term effects outside the organization.
8. Enforce upon itself whatever discipline is needed to govern with excellence.
9. Have continual Board development which will include orientation of new Board members in the Board's governance process and periodic board discussion of process improvement.
10. Monitor and discuss the Board's process and performance at each meeting. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-CEO Linkage categories.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Members' Code of Conduct

Number: GP-3

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised:

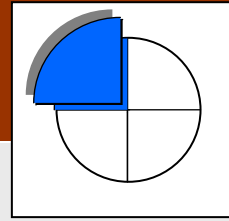
The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

1. Members are accountable to exercise the powers and discharge the duties of their office honestly and in good faith. Members shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
2. Members must represent unconflicted loyalty to the interests of the community. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staff. It also supersedes the personal interest of any Board member acting as a client of the Lake of the Woods District Hospital.
3. Members must avoid conflict of interest with respect to their fiduciary responsibility. (refer to By-laws)
4. Board members may not attempt to exercise individual authority over the Lake of the Woods District Hospital, except as explicitly set forth in Board policies.
 - 4.1. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly Board authorized.
 - 4.2. Members' interaction with public, press or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
 - 4.3. Members will not make individual judgments of CEO or staff performance except as that performance is assessed against explicit Board policies by the official process.
 - 4.4. Board members shall not encourage employees or medical staff to bypass administration but shall advise employees to utilize reporting lines established in the organization.
 - 4.5. Board members aware of any concerns in the community should advise the Board chair and CEO.
5. Members will respect the confidentiality appropriate to issues of a sensitive nature. Board members shall not divulge confidential matters brought before the Board, keeping in mind that any unauthorized statement could adversely effect the interest of the Lake of the Woods District Hospital Board or its members. Confidential shall be defined as including personal information about clients, staff, and information discussed in-camera.
6. Board members shall be familiar with the incorporating documents of the hospital, by-laws, regulations, policies and organizational structure of the hospital, as well as the rules of procedure and proper conduct of a meeting so that any decision of the Board may be made in an efficient, knowledgeable and expeditious fashion.

7. Members will be properly prepared for board deliberation.
8. Board Members shall regularly take part in educational activities that will assist them in carrying out their responsibilities
9. Board members shall attend every regularly scheduled meeting of the Board and of the committees to which the Board Member has been assigned.
 - 9.1. Attendance records of each meeting shall be kept and an attendance summary will be distributed semi-annually or on request.
 - 9.2. A Board Member shall agree to meet with the Chair or Vice-Chair of the Board of Directors to discuss the issue should his/her rate of absenteeism exceed the accepted level.
 - 9.3. A Board Member shall agree to a subsequent meeting with the Chair or Vice-Chair of the Board in the event that attendance levels are not improved within a 90 day period.
 - 9.4. In the best interest of the Hospital and the Board as a governing body, a Board Member shall resign from his/her position as a trustee on the Board of Directors should attendance continue to be a problem.
 - 9.5. A Board member who is absent for 3 Board meetings in a calendar year will be required to discuss his/her attendance in a closed meeting of the Board of Directors and may be removed from the Board by a majority vote.
10. Members shall ensure that unethical activities not covered or specifically prohibited by the foregoing or any other legislation are neither encouraged nor condoned.
11. A Board Member who is alleged to have violated the Code of Conduct shall be informed in writing and shall be allowed to present his or her views of such alleged breach at the next Board meeting. The complaining party must be identified. If the complaining party is a Board Member, he or she and the respondent Board Member shall absent themselves from any vote upon resolution of censure or other action that may be brought by the Board. Board Members who are found to have violated the Code of Conduct may be subject to censure.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: In Camera Board Meetings

Number: GP-4

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised:

In order to provide an opportunity for the Hospital to forge closer links with the public, media, and other key stakeholder groups and to create and promote an understanding of the role of the Hospital in the community, the responsibilities of its voluntary board and the decisions it makes on a regular basis, the Board commits itself to normally hold its deliberations in an open meeting.

The Board may choose to exclude the public from a meeting if it considers it necessary to protect the interests of the public or a person and the desirability of avoiding disclosure outweighs the desirability of public disclosure of the information. The Board and senior staff shall maintain confidentiality respecting all discussions undertaken by the Board in camera.

1. Items discussed in-camera are items of a confidential nature, disclosure of which could reasonably be expected to be harmful to:
 - 1.1 Personal privacy, including human resource issues and labour negotiations
 - 1.2 Individual and/or public safety
 - 1.3 Business interests of a third party
 - 1.4 Financial or economic interest of the Board and its affiliates, including local public body confidences
 - 1.5 The integrity and security of computer systems
 - 1.6 The integrity and protection of security systems
2. Also to be considered in-camera are:
 - 2.1 Policy advice as provided in the *Personal Health and Information Protection Act, Ontario (PHIPA)*
 - 2.2 Litigation matters and solicitors' legal advice
3. Items that may be considered in-camera include:
 - 3.1 Internal governance matters of the Board
 - 3.2 Property acquisitions or disposals
 - 3.3 Drafts of resolutions, bylaws or other legal instruments such as rules and regulations
 - 3.4 Sensitive Professional Staff issues.
4. Attendance at in-camera sessions
 - 4.1 All board members with the exception of those who are deemed to be in conflict of interest as defined in the Bylaws, section 4.04.
 - 4.2 The Chief Executive Officer shall attend all in-camera meetings, except where issues of his/her performance or compensation are being discussed, at which time he/she may be excluded from the proceedings at the direction of the Chair.

- 4.3 Senior staff will be included in in-camera discussions at the discretion of the CEO and the Chair. They will normally be excluded only when issues of performance or remuneration of the CEO are under discussion.
- 4.4 The Board Recording Secretary will be in attendance at all in-camera sessions, and minutes will be kept.

5. Rise and Report

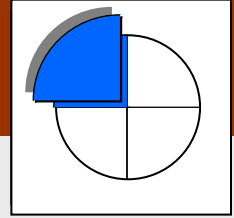
- 5.1 Except where prohibited by the privacy provisions of legislation, the Board shall rise and report in-camera resolutions to an open meeting of the Board.

6. Board Committees/Task Groups

- 6.1 Board committee meetings will be held in-camera.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Job Description

Number: GP-5

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: November 6, 2008

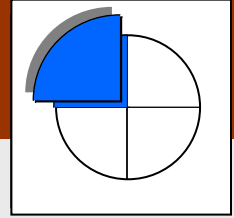
Specific job outputs of the board, as an informed agent of the community, are those that ensure appropriate organizational performance.

Accordingly, the Board will concentrate its efforts on the following job “products” or outputs:

1. The link between the hospital and the owners, as defined in GP-12.
2. Written governing policies which, at the broadest levels, address:
 - 2.1. *Ends*: what good or benefit the organization is to achieve, for which people, at what cost.
 - 2.2. *Executive Limitations*: Constraints on executive authority that establish the boundaries of prudence and ethics within which all executive activity and decisions must take place.
 - 2.3. *Governance Process*: Specification of how the Board conceives, carries out and monitors its own task.
 - 2.4. *Board-CEO Relationship*: How power is delegated and its proper use monitored; the CEO role, authority, and accountability.
3. Assurance of organizational performance through structured monitoring of the CEO as outlined in policies on Board-CEO Relationship.
4. The governance link between the hospital, the Hospital Foundation, and the Hospital Auxiliary.
5. Approval, funding and community support for a new hospital.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Chairperson's Role

Number: GP-6

Policy Type: Governance Process

Date Approved: October 7, 2004

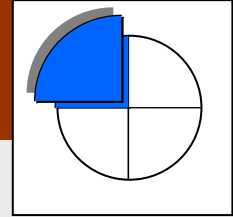
Date Revised: December 1, 2005
May 7, 2009

The Chair of the Board of Directors is the leader of the Board and is responsible for ensuring the integrity and effectiveness of the Board's governance role and processes; presiding at meetings; representing the Board within the community; and maintaining effective relationships with Board members, management and stakeholders. The roles of the Chair consist of:

1. A **leadership role** in organizing, motivating and monitoring the work of the Board.
 - 1.1. Ensure that the work of the Board remains focused on Board Ends.
 - 1.2. Contribute to and guides the development of a future vision for the hospital.
 - 1.3. Inspire and influence Board members to contribute their skills and talents to the Board.
 - 1.4. Facilitate relationships with and communication among Board members and senior management.
2. A **facilitative role** in planning and conducting effective, efficient and creative board meetings that focus on achieving the Board Ends.
 - 2.1. Ensure that Board meetings focus on issues which, according to Board policy, clearly belong to the work of the Board and not the CEO.
 - 2.2. Ensure that deliberation is fair, open and thorough, but timely, orderly and to the point.
 - 2.3. Preserve order at Board and committee meetings and exercise procedural authority in case of a dispute as outlined in policy GP-17 Rule of Order.
 - 2.4. Ensure that the Board operates effectively in all of its governance processes.
 - 2.5. Effectively resolve differences between parties who are in dispute.
 - 2.6. Ensure the growth, education and adherence to the Code of Conduct GP-3 of Board members.
3. A **consultative role** in providing advice and counsel as required to the CEO and COS.
 - 3.1. Ensure the CEO and COS understand Board expectations.
 - 3.2. Facilitate complaints brought forward under Policy BC-4.
 - 3.3. Ensure that the CEO and COS have annual evaluations.
4. A **ceremonial and representational role** as a spokesperson to the community and various stakeholders.
 - 4.1. Act as the official spokesperson for the Board.
 - 4.2. Represent the Board at events within the hospital and the community.
 - 4.3. Represent the Board in dealings with government and regulatory authorities.
5. Where required, the Chair is delegated signing authority on behalf of the board.
6. The Chair may delegate these roles and authority, but remains accountable for its use.
 - 6.1. The authority of the Chair consists in making decisions related to Governance Process (GP) and Board-CEO Linkage (BC) policies.
 - 6.2. The Chair is authorized to use any reasonable interpretation of these policies.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Committee Principles

Number: GP-7

Policy Type: Governance Process

Date Approved: October 7, 2004

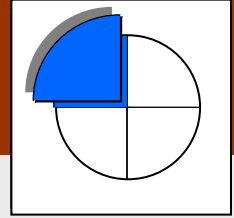
Date Revised:

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to CEO.

1. Board committees are to help the Board do its job. Committees will assist the Board by preparing policy alternatives and implications for Board deliberation.
2. Board committees may not speak or act for the Board except when formally given such authority for specific and/or time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.
3. Board committees cannot exercise authority over staff. In keeping with the Board's broader focus, Board committees will not have direct dealings with current staff operations.
4. Board committees are to avoid over-identification with organizational parts rather than the whole. The Board as a whole retains responsibility and authority to monitor organizational performance.
5. This policy applies to any group which is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members. It does not apply to committees formed under the authority of the CEO.
6. All committee members shall abide by the same Code of Conduct as governs the Board of Directors.
7. Except as defined in written Terms of Reference, no committee has authority to commit the funds or resources of the hospital, except for staff resource time as reasonably required for administrative support around meetings.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Committee Structure

Number: GP-8

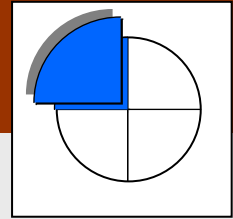
Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: June 3, 2010

A committee is a Board committee only if its existence and charge come from the Board of Directors, regardless of whether Board members sit on the committee. The following are standing committees of the Board of Directors: Audit Committee, Executive Committee, Ownership/Linkage Committee, Governance Committee, CEO Evaluation and Compensation Committee, Nominating Committee and Building a Future Committee. Legislation requires that the Medical Advisory Committee report regularly to the Board of Directors.

1. The Chairperson and members of the Board committees shall be appointed by the Board and report to the Board.
2. Committees do not implement changes to Board policy or By-laws or act on behalf of the Board of Directors. Their function and authority is to make recommendations to the Board as a whole for its consideration and approval.
3. Appointments of Board members should take into consideration factors such as equal opportunity to serve, workload, interest, and ability.
4. Terms of Reference, outlining expected products, authority and composition for each committee are found in subsequent policies.
5. The Board may appoint Ad Hoc committees as required to assist it in carrying out its responsibilities. Expected products and limitations on authority will be clearly identified for Ad Hoc Committees. An Ad Hoc committee ceases to exist as soon as its assignment as defined in the terms of reference is complete.
6. Committee expenses will be reimbursed in accordance with Board Policy GP-9.
7. Unless otherwise stated in the By-Laws, this Policy or in a Board resolution, procedures at Committee meetings shall be determined by the chair of each Committee.
8. A majority of the members of a Committee shall constitute a quorum.



Policy Name: Audit Committee

Number: GP-8.1

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: June 3, 2010

The Audit Committee functions to assist the Board of directors in formulating and evaluating financial policy, making financial decisions and engaging in oversight that ensures the organization's fiscal health.

1. Products

- 1.1. On behalf of the board, planning and preparation for the audit, including proposed scope of the audit.
 - 1.1.1. An annual recommendation to the Board for the appointment of the Corporation's external auditors, including the audit fee and expenses.
 - 1.1.2. On behalf of the board, review and approval of the auditor's engagement letter, to include external assessment of the CEO's compliance with policies EL-2, EL-3 and EL-7, item 1.
 - 1.1.3. Issuance of tenders, regarding the engagement of an external auditor no less frequently than every five (5) years.
- 1.2. On behalf of the Board, management of the external audit process.
 - 1.2.1. An assessment for the board of any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management, or situations where management seeks a second opinion on a significant accounting issue.
 - 1.2.2. Advice to the board regarding any action that may be necessary to ensure the independence of the external auditor.
 - 1.2.3. An opinion for the Board, based on evidence required of the external auditor, and information from management, as to whether the independent audit of the organization was performed in an appropriate manner.
- 1.3. A self-monitoring report on the appropriateness of the board's own spending.

2. Authority

- 2.1. The committee has no authority to change or contravene board policies.
- 2.2. The Committee has the authority to meet independently with the external auditors.

3. Composition

- 3.1. Three (3) elected Directors none of whom is: an employee or Professional Staff member of the Corporation.
- 3.2. The Chair of the Board, ex-officio.

3.3. The Board shall strive to ensure that at least two (2) members of the Audit Committee are financially literate and at least one member has accounting or related financial expertise.

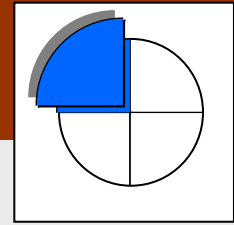
3.4. The Committee shall appoint a Chair from among its members.

4. Term of Office

4.1. Members shall be appointed for a one year term, which may be renewed at the pleasure of the board.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Executive Committee

Number: GP-8.2

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: Mar. 2/06; April 2/09;
June 3/10

The Executive Committee functions to provide the appropriate assistance and advice to the Hospital Board Chair in enhancing the organizational performance of the Hospital Board, with the following products as the specific Ends.

1. Products

- 1.1. Assistance to the Chair in agenda preparation.
- 1.2. Exercise powers of the board in emergencies when it is not possible to convene a quorum of the board and report that action to the next meeting of the Board of Directors.
- 1.3. Design a Corporate membership application form that complies with the by-laws for Board approval. Ensure that the membership applications for is reviewed annually.
- 1.4. Advertise, receive and process Corporate membership applications as per the by-laws.
- 1.5. Receive and collate information from annual Board evaluation(s). The findings of Board evaluations will be distributed and discussed at a Board meeting and recommendations for Board action, growth and education forwarded to appropriate committee for implementation.
- 1.6. Assist and advise the Chair in dealing with conflict of interest, compliance and service complaint issues brought forward to the Board of Directors.
- 1.7. Initiate and guide a Board review of the effectiveness and relevance of Board Committees through a Committee Function Report to be submitted annually to the Board.
- 1.8. Ensure that there is appropriate Board representation at conferences, consultations and public events.

2. Composition

- 2.1. Board Chair
- 2.2. Board Vice Chair
- 2.3. Chief of Staff
- 2.4. CEO
- 2.5. Past Board Chair or, if no longer an active Board member, another Board member elected by the Board of Directors to the position.

3. Term of Office

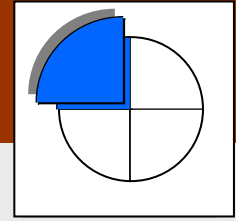
Members shall serve as long as they hold their office.

4. Authority

Except in emergency situations, this committee is empowered only to make recommendations to the Board as whole for its consideration and approval. Actions undertaken by the committee under the authority of the Board will be subject to review by the Board as a whole.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Ownership Linkage Committee
Terms of Reference

Number: GP-8.3

Policy Type: Governance Process

Date Approved: October 6, 2005

Date Revised: January 3, 2008

The Ownership Linkage Committee functions to ensure that the Hospital Board of Directors plans for and maintains ongoing linkages with a representative cross-section of the owners, stakeholders and clients in its catchment area. These on-going linkage activities aim at governance, policy development and strategic planning that is responsive to the acute care needs of the Hospital's communities.

1. Product

- 1.1 An initial one (1) year ownership linkage plan will be provided to the board for decision by the first Thursday in March.
- 1.2 The subsequent three (3) one (1) year ownership linkage plans will be provided to the board for decision by the first Thursday of February in each year.
- 1.3 An evaluation of the effectiveness of the each plan will be completed on the first Thursday of November of each year, with input from the board.
- 1.4 An organized written presentation of information collected from groups within the ownership, in a format useful to the board for Ends deliberations, by September of each year.

2. Authority

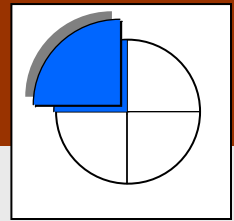
- 2.1 The committee has no authority to change board policies.
- 2.2 The committee has authority to spend funds required for travel to meetings if meetings are required.
- 2.3 The committee has no authority to commit funds for external assistance in ownership linkage activities. Any requirement for such funds will be put to the full board for decision.
- 2.4 The committee has authority to use staff resource time normal for administrative support around meetings, as well as administrative support included in the board's ownership linkage plan.

3. Composition

- 3.1 The committee shall be composed of a minimum of four (4) volunteer board members. The Board Chair will be ex-officio.
- 3.2 The committee shall select the chair from among the membership.

4. Term of Office

- 4.1 Members shall be appointed for a one (1) year term.



Policy Name: Governance Committee
Terms of Reference

Number: GP-8.4

Policy Type: Governance Process

Date Approved: May 1, 2008

Date Revised: June 3, 2010

The Governance Committee functions to assist the board in formulating policy, researching decisions, and overseeing the Board Ends. It will further assist the Board in improving its own functioning and structure. It will produce and monitor the Board's budget and spending and will ensure that ample educational opportunities are available to Board meetings and Board Directors.

1. Product

- 1.1 Review and make recommendations on Board policy.
- 1.2 Present recommendations to the Board of Directors with regards to governance performance for deliberation and action.
- 1.3 Ensure that Board Governance Policies are reviewed by the Board of Directors at least annually on a rotating basis.
- 1.4 Develop a Governance Plan with goals that is reviewed annually.
- 1.5 Ensure that the Board Ends are reviewed annually.
- 1.6 Upon request from the Board, provide in-depth research to Board decisions.
- 1.7 Ensure that a Board meeting education plan is available and implemented.
- 1.8 Design and provide orientation to new Board Directors.
- 1.9 Ensure that ongoing educational opportunities are available to individual Board Directors.
- 1.10 Plan and make recommendations to the Board of Directors with regards to an annual retreat.
- 1.11 Ensure that appropriate tools for individual Director and Board evaluation are available for annual assessment of Board and Director functioning.
- 1.12 Present an annual budget to the Board of Directors by March 31 of each year and quarterly reports on spending.

2. Authority

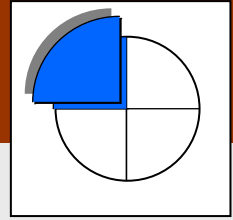
- 2.1 The committee has no authority to implement changes board policies.
- 2.2 The committee has authority to spend funds required for travel to meetings if meetings are required.
- 2.3 The committee has authority to use staff resource time normal for administrative support around meetings, as well as administrative support included in the board's education plan
- 2.4 The committee shall make decisions regarding the Board members attendance at an educational opportunity.

3. Composition

- 3.1 The committee shall be composed of a minimum of three (3) volunteer board members. The Board Chair will be an ex-officio.
- 3.2 The committee shall select the chair from among the membership.

4. Term of Office

- 4.1 Members shall be appointed for a one (1) year term.



Policy Name: CEO Evaluation & Compensation Committee
Terms of Reference

Number: GP-8.5

Policy Type: Governance Process

Date Approved: February 4, 2010

Date Revised: June 3, 2010

The CEO Evaluation and Compensation committee functions to assist the Board in formulating policies, making decisions, overseeing and evaluating to ensure a high level of executive performance for the hospital.

1. Product:

- 1.1. Assurance that CEO evaluation is carried out on a regular basis according to the parameters in BC-4 Monitoring CEO Performance, in a consistent, competent and professional fashion.
- 1.2. An annual review of the CEO's performance for the board's consideration, based on a cumulative summary of the board's assessment of internal monitoring reports, external monitoring reports and direct inspections throughout the year, consistent with the process in BC-4, Monitoring CEO Performance.
- 1.3. An annual recommendation to the board regarding CEO compensation, by [date], after careful analysis of compensation levels in effect in comparator Ontario hospitals, LWDH CEO performance and responsibilities; and the LWDH's ability to pay the recommended compensation.
- 1.4. A review of the CEO evaluation process at least every 3 years, with recommended changes if necessary, for the board's consideration.

2. Authority

- 2.1 The committee has no authority to change board policies.
- 2.2 The committee has authority to spend funds required for travel to meetings if meetings are required.
- 2.3 The committee has authority to use staff resource time normal for administrative support around meetings.
- 2.4 The committee does not have final authority on decisions regarding CEO performance and compensation.

3. Composition

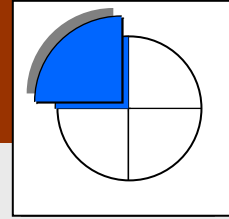
- 3.1 The committee shall be composed of five (5) board members. The committee will include the Board Chairperson, Vice-Chairperson and three other Directors chosen by the board.
- 3.2 The Board Chair will chair this committee.

4. Term of Office

- 4.1 The term shall be three (3) years.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Nominating Committee
Terms of Reference

Number: GP-8.6

Policy Type: Governance Process

Date Approved: June 3, 2010

Date Revised:

The Nominating Committee functions to make recommendations to the Board of Directors with regards to succession planning and potential Board Directors. It is responsible for the recruitment, screening, processing and presenting of Director Applicants to the Board of Directors.

1. Product:

- 1.1. Maintain a matrix of the current Board member's skills, experience, commitment and demographic information and annually identify specific characteristics that should be sought in recruitment given the Board's current membership, strategic priorities and Board needs.
 - 1.1.1 Current Board members whose terms are expiring are not entitled to automatically stand for re-election but must be considered in light of the manner in which they discharged their governance duties and responsibilities.
- 1.2. Develop a succession plan for the Board of Directors that reflects the breadth, depth and diversity of the community and will guide in recruiting a Board of Directors that are capable and experienced to lead the Corporation. The following guidelines will define the plan:
 - (i) previous or existing hospital board or committee experience;
 - (ii) a variety of leadership skills and abilities;
 - (iii) financial expertise;
 - (iv) a high level of leadership and/or executive experience;
 - (v) strategic planning experience;
 - (vi) experience in the health field;
 - (vii) such other specific knowledge and/or experience that the Executive committee may identify from time to time;
 - (viii) the plan contemplates the progress of a person's expertise and experience as he/she progresses from a lay person to a Board member, to the chair of a committee and ultimately Vice-Chair and/or Chair of the Board.

The Succession Plan, which includes analysis and recommendations from the Executive Committee, will be presented annually to the May Board meeting for Board approval.

- 1.3. Prepare a Director application form that complies with the by-laws.
- 1.4. Annually, at a time identified in the by-laws, advertise for interested candidates for vacant term Director positions on the Board.
- 1.5. Identify potential candidates throughout the year and determine their willingness to serve as Directors.
- 1.6. Receive applications to Board of Director's positions as per the public advertisement.
- 1.7. Provide a screening interview to all applicants and review the candidate's application and resume.
- 1.8. Develop a list of recommended nominees that is consistent with the skills, experience and governance needs of the organization.
- 1.9. Present the recommended nominees to the Board of Directors for approval at the May Board Meeting.

2. Guidelines for Nomination of Directors

- 2.1 To ensure the membership of the Board possess the skills, experience and personal qualities necessary for competent governance:

- (a) the composite membership of the Board should encompass both the universal competencies in Directors (paragraph 2.2) and reflect the Executive Succession Plan;
 - (b) the membership of the Board should endeavor to have regard for the demographic, linguistic, cultural, economic, geographic, ethnic, religious and social characteristics of the catchment area served by the Corporation, including, without limitation, using best efforts to ensure that there are at least three (3) Aboriginal Directors on the Board. In the event there are two equally qualified candidates, one of whom is Aboriginal, the Aboriginal candidate will be preferred.
- 2.2 The Nominating Committee should ensure that all Board members have the following universal competencies:
- (a) **Commitment and Effective Communication**
Board members must:
 - (i) make an active contribution at meetings and on behalf of the Board where required; and
 - (ii) demonstrate a willingness to devote the time necessary to board work, including orientation and education.
 - (b) **Integrity**
Board members must have:
 - (i) personal integrity to make decisions in a manner that is free of actual or perceived Conflict of Interest;
 - (ii) objectivity
 - (iii) high ethical standards; and
 - (iv) respect for the views of others
 - (c) **Analytical Decision Making**
Board members must demonstrate:
 - (i) a capacity for resolving difficult and complex issues;
 - (ii) an awareness and understanding of identified issues and proposed recommendations and impacts;
 - (iii) an ability to analyze situations and problems from a systems perspective; and
 - (iv) the capacity and ability to provide valued knowledge, experience and counsel to the Board, the chief Executive Officer and the Chief of Staff.
 - (d) **Strategic Leadership**
Board members must have:
 - (i) a commitment to the mission, vision, strategic plan and organizational philosophy of the corporation and its responsibilities to the MOHLTC and LHIN;
 - (ii) the capability to give leadership to the development of the Corporation;
 - (iii) the capability of exercising leadership and consensus building; and
 - (iv) the demonstrated ability to work as a member of a team and the ability to express a dissenting opinion in a constructive manner.
 - (e) **Political Acumen**
A Board member must understand:
 - (i) the distinction between the strategic and policy role of the Board and the day-to-day operational responsibilities of Management;
 - (ii) the range of obligations and constraints imposed upon Directors of the Corporation; and
 - (iii) the unique cultural and support requirements of individuals and special communities

3. Authority

- 3.1 The committee has no authority to change board policy.
- 3.2 The committee has authority to spend funds required for travel to meetings if meetings are required.
- 3.3 The committee has authority to use staff resource time normal for administrative support around meetings.
- 3.4 The committee does not have final authority on decisions of Director membership.

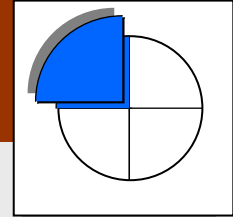
4. Composition

- 4.1 The committee shall be composed of a minimum of three (3) volunteer board members. The Board Chair will be an ex-officio.

4.2 The committee shall select the chair from among the membership.

5. Term of Office

The term shall be three (3) years.



Policy Name: Building a Future Committee
Terms of Reference

Number: GP-8.7

Policy Type: Governance Process

Date Approved: June 3, 2010

Date Revised:

The Building a Future Committee functions to make recommendations to the Board of Directors related to the planning for a new approach to health care delivery in Kenora.

1. Products

- 1.1 Undertaking a formal process for determining future models/approaches to the delivery of health care for Kenora consistent with the organization's ENDS, Vision and Values, and that are consistent with community need, evidence-based practice and aligned with MOHLTC and LHIN priorities;
- 1.2 Ensuring appropriate, associated government relations, community engagement and communications strategies directed at achieving the necessary approvals and grants;
- 1.3 Achieving approval by the LHIN and MOHLTC of the Stage One: Proposal/Business Case followed by the Stage Two: Functional Program for the hospital redevelopment, as submitted to the LHIN and MOHLTC. The objective, following the Stage One Business Case submission is to obtain grant funding to proceed to Stage Two Functional Programming;
- 1.4 Achieving approval by the City of any required municipal zoning amendments as set out in the Municipal Zoning Application;
- 1.5 The Local share Plan must be aligned with the Foundation's priorities for fundraising.

2. Authority

- 2.1 The committee will be accountable to the Board of Directors.
- 2.2 The committee has no authority to change Board Policies.
- 2.3 The committee will be provided with an appropriate budget so it can accomplish its products.
- 2.4 The committee has the authority to use staff resources and hire consultants for committee support of its expected products.
- 2.5 The committee will provide regular progress updates to the Board of Directors.

3. Composition

- 3.1 Chair of the Board
- 3.2 Vice Chair of the Board
- 3.3 Two (2) additional Board members
- 3.4 Hospital President & CEO
- 3.5 Hospital VP Corporate Services
- 3.6 Hospital Capital Projects Manager
- 3.7 Medical Staff Representative
- 3.8 Foundation Board member

Alternates may not be designated to replace committee members unable to attend.

4. Committee Support

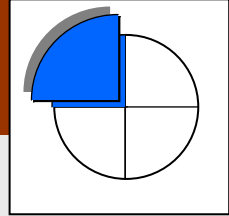
- 4.1 Others as required on an ad hoc basis.
- 4.2 Steering committees may be established throughout the course of the project as needed.

5. Frequency of Meetings

The Committee shall meet at 4 to 6 week intervals or at the call of the Chair.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board and Committee Expenses

Number: GP-9

Policy Type: Governance Process

Date Approved: October 7, 2004

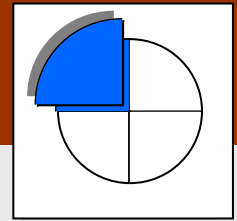
Date Revised: May 3, 2007

Board members shall not be entitled to any compensation or honorarium, but shall be entitled to reimbursement for out-of-pocket expenses incurred in attending Board and Board committee meetings, as well as any meeting, attended at the direction of the Board and as well as any work required by the Board.

1. Reasonable out of pocket travel expenses shall be reimbursed at the hospital's current rates, upon submission of receipts.
2. Registration fees for attendance at Board approved workshop and education session shall be paid in full by the hospital.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Education Policy

Number: GP-9.1

Policy Type: Governance Process

Date Approved: May 7, 2005

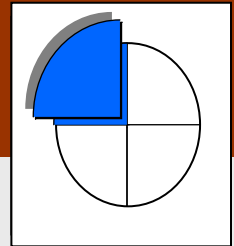
Date Revised: May 1, 2008

Board members shall not be entitled to any compensation or honorarium but shall be entitled to reimbursement for out of pocket expenses while attending educational programs.

1. The Education Committee will identify educational opportunities based on an educational plan as developed for the recommendation of the Board.
2. The Education Committee will monitor board education expenditures.
 - 2.1 Quarterly Revenue and Expense Reports to the Board as a whole.
 - 2.2 The Board Education Budget shall be set yearly by the board in cooperation with the CEO.
3. Education sessions will include but not be limited to OHA and other related healthcare workshops and Policy Governance (Reg. Tmk) workshops.
4. The Board Chair may appoint a board member if no one has indicated their availability to attend a relevant educational opportunity.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Investment in Governance

Number: GP-10

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: April 5, 2007
November 1, 2007
March 6, 2008

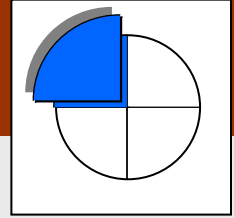
The Board will invest in its governance capacity.

1. Hospital Board effectiveness is dependent on knowledgeable members who are educated in the business of the governing body. The Board recognizes that continual updating of skills and awareness of new issues are vital to a member's contribution to the Board.
 - 1.1. Prospective Board members shall be provided with information that clearly outlines the role of the Board, and what is expected of Board members.
 - 1.2. All new Board members will participate in an orientation session to ensure familiarity with the health care system and issues, the organization's structure and issues, and the Board's process of governance. This session will be organized and presented by experienced board members and key hospital administrators, and will take place within 30 days of the installation of the new members.
 - 1.3. The Board will provide for or enable board member continuing education related to governance and health issues.
 - 1.4. Any Board member who has taken ongoing education or training paid for by the hospital is expected to share the knowledge received or skills developed with other Board members through a report and/or some other appropriate form of communication.
2. Outside monitoring assistance will be arranged so that the Board can exercise sufficient control over organizational performance. This includes, but is not limited to fiscal audit and CCHSA Accreditation.
3. The Board will establish governance process policies that will serve as measurable standards against which the Board's performance can be evaluated.
 - 3.1. Under the leadership of the Chairperson, at least on an annual basis, the Board will conduct a self-evaluation. As a result of this evaluation, the Board will include in its governance action plan specific goals and objectives for improvement of identified areas.
 - 3.2. The Board will monitor adherence to and review policy content of its own Governance Process policies on a regular basis. Any policy can be monitored at any time. However, at a minimum, the Board will perform both of these functions according to the following schedule;

Number	Policy	Monitor Adherence	Review Policy Content
GP	Global Governance Commitment	Bi-annually	Every 4 years
GP-1	Vision and Values	Bi-annually	Every 4 years
GP-2	Governing Style	Bi-annually	Every 4 years
GP-3	Board Members' Code of Conduct	Bi-annually	Every 4 years
GP-4	Board Meetings (In-Camera)	Bi-annually	Every 4 years
GP-5	Board Job Description	Bi-annually	Every 4 years
GP-6	Chairperson's Role	Bi-annually	Every 4 years
GP-7	Board Committee Principles	Bi-annually	Every 4 years
GP-8	Board Committee Structure	Bi-annually	Every 4 years
GP-8.1	Audit Committee	Bi-annually	Every 4 years
GP-8.2	Executive Committee	Bi-annually	Every 4 years
GP-8.3	Ownership/Linkage Ctte Terms of Reference	Bi-annually	Every 4 years
GP-8.4	Governance Committee Terms of Reference	Bi-annually	Every 4 years
GP-8.5	CEO Evaluation & Compensation Committee Terms of Reference	Bi-annually	Every 4 years
GP-8.6	Nominating Committee Terms of Reference	Bi-annually	Every 4 years
GP-8.7	Building a Future Committee Terms of Reference	Bi-annually	Every 4 years
GP-9	Board and Committee Expenses	Bi-annually	Every 4 years
GP-9.1	Board Education Policy	Bi-annually	Every 4 years
GP-10	Investment in Governance	Bi-annually	Every 4 years
GP-11	Charge to the Chief of Medical Staff	Bi-annually	Every 4 years
GP-12	Board Linkage with Community	Bi-annually	Every 4 years
GP-13	Board Linkage with Other Organizations	Bi-annually	Every 4 years
GP-14	Board Planning Cycle and Agenda Control	Bi-annually	Every 4 years
GP-15	Board Succession Planning	Bi-annually	Every 4 years
GP-16	Handling Operational Complaints	Bi-annually	Every 4 years
GP-17	Rules of Order	Bi-annually	Every 4 years
BC	Global Board-CEO Relationship	Bi-annually	Every 4 years
BC-1	Unity of Control	Bi-annually	Every 4 years
BC-2	Accountability of the CEO	Bi-annually	Every 4 years
BC-3	Delegation to the CEO	Bi-annually	Every 4 years
BC-4	Monitoring CEO Performance	Bi-annually	Every 4 years

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Charge to Chief of Medical Staff

Number: GP-11

Policy Type: Governance Process

Date Approved: October 7, 2004

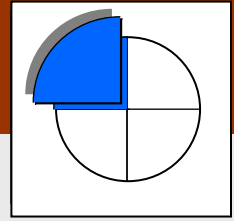
Date Revised: June 1, 2006
October 1, 2009

The Board's accountability for the quality of professional practice by all Professional Staff whom are granted privileges in the hospital will be discharged by delegating accountability for this area to the Chief of Medical Staff. While the formal Medical Staff organization, consisting of all physicians and other practitioners privileged to practice in the hospital, shall be responsible directly to the Chief of Medical Staff, this does not relieve or otherwise affect the responsibility of individual Professional Staff to requirements duly imposed by the CEO.

1. The Chief of Staff shall ensure the effective functioning of the Medical Staff. This includes ensuring that:
 - 1.1. There is an effective Medical Staff organization, operating consistently with the Professional Staff Bylaws.
 - 1.2. The Medical Staff provides to the board its considered judgment as to the capability of relevant practices, personnel and premises to support or provide quality care.
 - 1.3. The Medical Staff provides to the board its judgment as to the qualification of medical practitioners to render services and standards incumbent upon the organization or upon the Medical Staff.
 - 1.4. The Medical Staff provides the board with professional physician input annually in relation to the Ends.
 - 1.5. The Medical Staff comply with all laws, regulations, and standards which may be binding on the Medical Staff or the formal Medical Staff organization itself.
2. There is an assessment of medical staff performance on the criteria above annually by an internal examination by a mechanism established by the Medical Staff.
3. The Chief of Staff shall maintain an open and cooperative relationship with the CEO in relation to areas where cooperation between Medical Staff and employees is necessary to achieve Ends or comply with Executive Limitations.
4. The Chief of Staff shall provide a monitoring report to the board at least annually or at the board's request which provides the Chief of Staff's reasonable interpretation of the criteria in this policy, rationale for its reasonableness, and evidence of compliance with that interpretation.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Linkage with Community

Number: GP-12

Policy Type: Governance Process

Date Approved: October 7, 2004

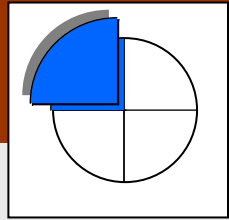
Date Revised: December 6, 2007

The “owners” of the Lake of the Woods District Hospital are defined as all residents of the catchment area. The Board shall act on behalf of the residents of the catchment area as a whole, rather than being advocates for specific geographic areas or interest groups.

1. When making governance decisions, Board members shall maintain a distinction between their personal interests as “customers” of the Hospital’s services, and their obligation to speak for others as a representative of the “owners” as a whole. As representatives of the owners, the Board is obligated to identify and know what the owners want and need, and understand their values relevant to health care.
2. The Board shall gather data in a way that reflects the diversity of the owners. It shall meet with, gather input from, and otherwise interact with the broad base of communities, acknowledge diversity, and seek to make decisions considering that input.
3. Collection of input from communities may be accomplished through a variety of methods, including, but not limited to, community meetings, surveys and advisory groups.
 - 3.1 The Board will meet annually with the Mental Health and Addictions Advisory Committees to discuss issues relative to Ends.
 - 3.2 The Board will work with Aboriginal communities to develop an effective mechanism for linkage on issues relative to Ends.
4. The Board shall ensure there is regular communication with the owners regarding governance-related issues relevant to the community

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Linkage with Other Organizations

Number: GP-13

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: Sept. 7, 2006

1. Government

- 1.1. The Board shall ensure that the Lake of the Woods District Hospital interests are represented to governments and government agencies.

2. Membership in Other Organizations

- 2.1. The Board shall consider the merits of membership in other organizations annually. This consideration shall include, but not be limited to:
 - The degree to which participation in the organization will further the mission and goals of the Board.
 - The benefits to the Board of membership compared to the cost of membership.
 - The ability of the Board to influence the direction of the organization in a measure commensurate with the Board's contribution.

3. Appointments to External Policy or Advisory Committees

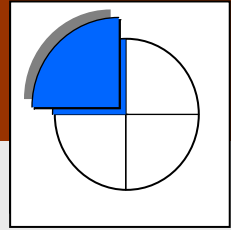
- 3.1. Upon request for the Lake of the Woods District Hospital appointments to external committees relevant to governance issues, the Board will assess whether such representation is appropriate within the Board's stated policies and current priorities. If this assessment is positive, the Board will appoint appropriate representatives. Issues of confidentiality, information sharing and administrative support shall be discussed and agreed upon by the committee's chairperson, the appointee, and the CEO.
- 3.2. The appointee shall provide information reports as appropriate, to be determined by the Board at the time of appointment.
- 3.3. Since the appointee is representing the Lake of the Woods District Hospital Board, the appointee shall be kept informed of current Board policies that might affect deliberations of the committee in question. Any representation made on behalf of the Board shall adhere to the stated policies of the Board. Any issues requiring the statement of a new policy position on the part of the Board shall be brought to the Board for decision.

4. Relationships with Other Organizations

- 4.1. The Board shall identify other organizations with which it required good working relationships in order to achieve its Ends. It will establish mechanisms for maintaining open communication with these organizations. Such mechanisms may include but are not limited to:
 - Inviting representatives of the Board of those organizations to Board meetings.
 - Meeting jointly with other Boards on occasion.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Planning Cycle and Agenda Control

Number: GP-14

Policy Type: Governance Process

Date Approved: October 7, 2004

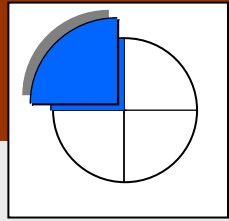
Date Revised: October 5, 2006
November 5, 2009
February 4, 2010

To accomplish its job products with a governance style consistent with board policies, the board will follow an annual agenda which (a) completes a re-exploration of Ends policies annually and (b) continually improves board performance through board education and enriched input and deliberation.

1. The Board shall maintain control of its own agenda by developing each year no later than the first quarter of the Board's term of office, an annual schedule which includes, but is not limited to:
 - 1.1 Review of the Ends in view of the constantly evolving environment, determine current relevance of strategic focus in a timely fashion which allows the CEO to build a budget.
 - 1.2 Consultations with selected groups in the ownership, or other methods of gaining ownership input, prior to the above review.
 - 1.3 Scheduled time for education related to Ends determination (for example, presentations relating to the external environment, demographic information, exploration of future perspectives which may have implications, presentations by advocacy groups, and staff).
 - 1.4 Scheduled time for monitoring of the Board's own compliance with its Governance Process policies, and for review of the policies themselves.
 - 1.5 Scheduled time for monitoring compliance by the CEO with Executive Limitations policies, and for review of the policies themselves. Monitoring reports will be provided and read in advance of the Board meeting, and discussion will occur only if reports show policy violations, if reports do not provide sufficient information for the Board to make a determination regarding compliance, or if policy criteria are to be debated.
 - 1.6 Scheduled time for monitoring compliance by the Chief of Staff with Policy GP-11.
 - 1.7 Scheduled time for governance education.
2. Based on the outline of the annual schedule, the Board delegates to the Chairperson with assistance of the Governance Committee the authority to fill in the details of the Board meeting content. Potential agenda items shall be carefully screened to ensure that they relate to the Board's job description, rather than simply reviewing staff activities. Screening questions shall include:
 - 2.1 Clarification as to whether the issue clearly belongs to the Board or the CEO in accordance with the Board's governance policies.
 - 2.2 Identification of what category an issue relates to – Ends, Executive Limitations, Governance Process, Board – CEO Relationship.
 - 2.3 Review of what the Board has already said in this category, and how the current issue is related.
3. Throughout the year, the Board will attend to consent agenda items as expeditiously as possible. When an item is brought to the Board via the Consent Agenda, provided that compliance with all of the criteria in Executive Limitations has been demonstrated, the Board will not discuss the item prior to approval. An exception will be made only if a majority of the Board votes to remove the item from the Consent Agenda for discussion.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Board Succession Planning

Number: GP-15

Policy Type: Governance Process

Date Approved: October 7, 2004

Date Revised: Sept. 8, 2005

February 4, 2010

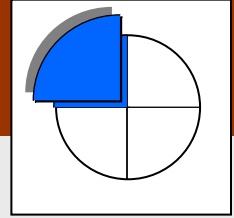
The Board is committed to excellence in governance. Therefore, the Board shall strive to encourage candidates who have characteristics that will enable them to govern, not to manage, the organization, to stand for elected and appointed positions on the board.

These characteristics include:

1. Commitment to linking with the ownership. Understanding that they stand in for an ownership of diverse people; willing to actively seek to access and understand that diversity.
2. Ability to think in terms of systems and context — to see the big picture.
3. Interest in and capability to discuss the values underlying the actions taken in the organization, and to govern through the broader formulations of these values.
4. Willingness to delegate the operational detail to others.
5. Ability and willingness to deal with vision and the long term, rather than day-to-day details.
6. Ability to maintain focus on the Board's Ends and continuous quality improvement; and to exhibit an openness to change and innovation.
7. Ability and willingness to participate assertively in deliberation, while respecting the opinions of others.
8. Willingness and commitment to honour board decisions.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Handling of Operational Complaints

Number: GP-16

Policy Type: Governance Process

Date Approved: October 7, 2004

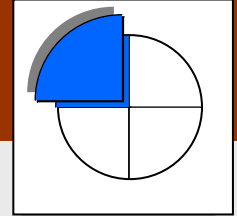
Date Revised: December 6, 2007

To ensure that the board fulfills its accountability to the ownership, but does not interfere in matters it has delegated to the CEO or Chief of Staff – in the case of complaints about Professional Staff – the following process shall be followed when a board member receives a complaint regarding an operational matter.

1. If the complaint is from an employee or member of the credentialed Professional Staff, the Board Member shall inquire if the proper internal communication protocol for registering concerns has been followed. If not, the individual shall be directed to the appropriate person.
2. If the complaint is from a member of the public, the Board Member shall explain to the individual that the Board has delegated responsibility to handle complaints to the CEO, and direct the individual to the CEO.
3. If the complaint is from a partner organization, the Board Member shall inquire if the issue has been addressed with the appropriate contact in the hospital.
4. The Board Member shall not offer any evaluative comments or solutions.
5. The Board Member shall ask the individual to contact him or her again if the matter has not been addressed within a reasonable time period.
6. If the individual contacts the Board Member again about the issue, the Board Member shall inform the CEO or individual designated by the CEO of the complaint, and request that it be handled.
7. If the Board Member is concerned about a potential policy violation, the Board Member shall inform the Board Chairperson to request a monitoring report.
8. If the Board identifies a pattern of complaints, the Board shall determine if it wishes to request a specific monitoring report to determine compliance with the relevant policy or policies.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Rules of Order

Number: GP-17

Policy Type: Governance Process

Date Approved: Sept. 8, 2005

Date Revised:

Board meetings will be conducted in an orderly, effective process, led and defined by the chair.
Board meetings will be governed by these rules.

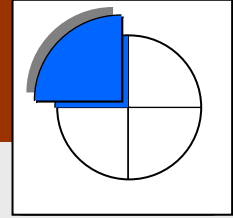
Accordingly:

1. All by-law obligations regarding board meetings must be satisfied.
2. The Board chair is responsible for the timely and accurate production of board meeting minutes.
3. Board meetings shall be called to order at the time specified in the notice of meeting (or as prearranged) and upon satisfaction of quorum.
4. At the commencement of the board meeting and as a first item of business, the board shall consider the pre-circulated meeting agenda provided by the chair and shall adopt by motion as is (or adjusted) that agenda. The approved agenda shall be followed in the order adopted.
5. The agenda for board meetings may contain a consent listing of items (grouped together) that are non-controversial and routinely approved. When a "Consent Agenda" listing is reached on the agenda it shall be voted on in total without debate.
6. Meeting order and decorum shall be maintained and all members treated with dignity, respect, courtesy and fairness during discussion and debate and in all other respects.
7. Board members must keep their comments relevant to the issue under consideration.
8. Board meetings will be conducted at a level of informality considered appropriate by the chair, including that discussion of a matter may occur prior to a proposal that action be taken on any given subject.
9. Proposals, motions or particular matters shall be initiated by a motion of a board member, discussed and then voted on. Motions require a second to proceed to discussion and subsequent vote.
 - 9.1 The board chair may make motions, engage in debate and vote on any matter to be decided to the same extent as any board member.
 - 9.2 An amendment may be made to a main motion and an amendment may be made to the amendment, but a third level of amendment is out of order.
 - 9.3 A motion to refer to committee, postpone, or table may be made with respect to a pending motion, and if carried shall set the main motion aside accordingly.
10. Board members may speak to a pending motion on as many occasions, and at such length as the chair may reasonably allow.

11. A vote on a motion shall be taken when discussion ends but any board member may during the course of debate, move for an immediate vote (close debate) which if carried, shall end discussion and the vote on the main motion shall then be taken.
12. A majority vote will decide all motions before the board excepting those matters in the by-laws which oblige a higher level of approval.
13. A motion to adjourn a board meeting may be offered by any board member on the conclusion of all board business or adjournment of the meeting may be declared by the board chair.
14. When further rules of order are to be developed by the board, the board will consider the Standard Code of Parliamentary Procedure (or Robert's Rules of Order newly Revised, 2004, or other authority), as a source guide.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: CEO Recruitment

Number: GP-18

Policy Type: Governance Process

Date Approved: February 4, 2010

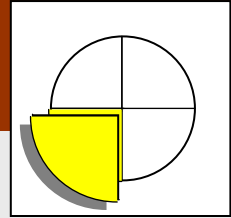
Date Revised:

The board recognizes its responsibility to ensure a seamless continuity of organizational leadership. When the board recruits a CEO, it commits to a focus on organizational needs and resources as well as a high level of professionalism and confidentiality. CEO candidates will be assessed on evidence of performance in all required CEO competencies, and successful candidates will be expected to demonstrate evidence *of* superior performance in each competency area.

1. The Board may choose to investigate other organizational options to CEO replacement prior to initiating a search process.
2. CEO Core Competencies which a successful candidate will be expected to demonstrate are as follows:
 - Leadership
 - Communication
 - Life-long Learning
 - Consumer / Community Responsiveness and Public Relations
 - Political and Health Environment Awareness
 - Conceptual Skills
 - Results Management
 - Resources Management
 - Compliance to Standards.
2. Each core competency is made up of sub-competencies which are further defined in the Canadian College of Health Service Executives document “Competencies for the Health Service Executive.
3. Upon notification that a current CEO will be leaving employment with the Lake of the Woods District Hospital. The Chairperson and Vice-Chairperson will establish an Executive Recruitment Committee composed of the Chairperson and Vice-Chairperson and three other Directors appointed by the Board to put into action the CEO recruitment process.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Global Board-CEO Relationship

Number: BC

Policy Type: Board-CEO Relationship

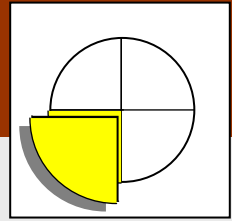
Date Approved: October 7, 2004

Date Revised:

The Board's sole official connection to the organization, its achievements and conduct will be through the CEO, with the exception of the Board's connection to the Professional Staff who have privileges in the hospital.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Unity of Control

Number: BC-1

Policy Type: Board-CEO Relationship

Date Approved: October 7, 2004

Date Revised:

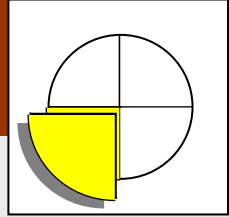
Only officially passed motions of the board are binding on the CEO.

Accordingly:

1. Decisions or instructions of individual board members, officers, or committees are not binding on the CEO except in rare instances when the board has specifically authorized such exercise of authority.
2. In the case of board members or committees requesting information or assistance without board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or are disruptive.
3. Only the board acting as a body can employ, terminate, discipline, or change the conditions of employment of the CEO.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Accountability of the CEO

Number: BC-2

Policy Type: Board-CEO Relationship

Date Approved: October 7, 2004

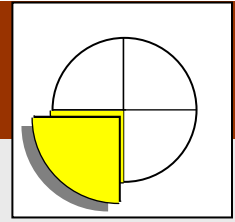
Date Revised: February 4, 2010

The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of employees and volunteers, as far as the Board is concerned, is considered the authority and accountability of the CEO.

1. The Board will not give instructions to persons who report directly or indirectly to the CEO.
2. The Board will refrain from evaluating, either formally or informally, any staff other than the CEO.
3. The Board will view CEO performance as identical to organizational performance, so that organizational accomplishment of a reasonable interpretation of board-stated ENDS, and compliance with board-stated Executive Limitations, reasonably interpreted, will be viewed as successful CEO performance.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Delegation to the CEO

Number: BC-3

Policy Type: Board-CEO Relationship

Date Approved: October 7, 2004

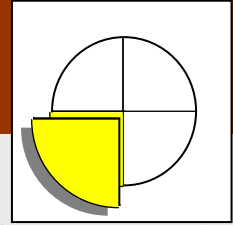
Date Revised:

The board will instruct the CEO through written policies which prescribe the organizational Ends to be achieved, and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

1. The Board will direct the CEO to achieve specified results, for specified recipients, at a specified worth through the establishment of Ends policies. These policies will be developed systematically from the broadest, most general level to more defined levels.
2. The Board will limit the latitude the CEO may exercise in practices, methods, conduct and other “means” to the ends through establishment of *Executive Limitations* policies. These policies will be developed systematically from the broadest, most general level to more defined levels.
3. As long as the CEO uses any reasonable interpretation of the Board’s *Ends* and *Executive Limitations* policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities to achieve stated Ends.
4. The Board may change its *Ends* and *Executive Limitations* policies, thereby shifting the boundary between Board and CEO domains. By so doing the Board changes the latitude of choice given to the CEO. But so long as any particular delegation is in place, the Board and its members will respect and support the CEO’s choices.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Monitoring CEO Performance

Number: BC-4

Policy Type: Board-CEO Relationship

Date Approved: October 7, 2004

Date Revised: December 6, 2007

November 6, 2008

February 4, 2010

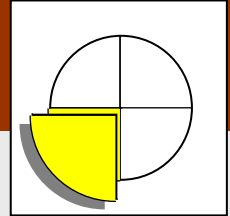
Systematic and rigorous monitoring of CEO job performance will be against the expected CEO job outputs: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.

1. Monitoring is simply to determine the degree to which Board policies are being met.
2. The Board will acquire monitoring data by one or more of three methods:
 - by internal report: Disclosure of compliance information by the CEO, along with his or her explicit interpretation of Board policy, and justification for the reasonableness of interpretation.
 - by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies, . The external party will first be provided with the CEO's explicit interpretation of the policy and justification for the reasonableness of interpretation. The report must assess the reasonableness of the interpretation of Board policy, and compliance with it. The basis for assessment is *not* the standards of the external party, unless the Board has previously indicated that party's opinion to be the standard. The Board may choose the external report process at any time it deems necessary to verify CEO performance and organizational performance as set out in the CEO's internal report, or may choose this method instead of an internal report.
 - by direct Board inspection: This is a Board inspection of documents, activities or circumstances directed by the Board that assesses compliance with policy, with access to the CEO's justification for the reasonableness of his/her interpretation. Such an inspection is only undertaken at the instruction of the Board, and with the CEO's knowledge.
3. In every case, the standard for compliance shall be *any reasonable CEO interpretation* of the board policy being monitored. The Board is the final arbiter of reasonableness, but will always judge with a "reasonable person" test rather than interpretations favored by board members or even the board as a whole.
4. All policies which instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any of the above methods, but will ordinarily depend on a routine schedule.
5. A formal evaluation of the CEO by the Board will occur annually, based on the achievement of the Board's *Ends Policies* and non-violation of its *Executive Limitations* policies. This formal evaluation will be conducted by cumulating the regular monitoring data provided during the year and the board's recorded acceptance or non-acceptance of the reports, and identifying performance trends evidenced by that data.

POLICY	METHOD	FREQUENCY
ENDS		
E Mission	Internal Report	Annually
E-1 People Achieve Optimum Outcomes	Internal Report	Annually
E-2 Information for Positive Lifestyle Choices	Internal Report	Annually
E-3 Partners have Enhanced Capacity	Internal Report	Annually
EXECUTIVE LIMITATIONS		
EL General Executive Constraint	Internal Report	Annually
EL-1 Planning: Hospital Strategic Plan	Internal Report	Annually
EL-2 Planning: Financial	Internal Report	Annually #1 Monthly
EL-3 Financial Condition and Activities	Internal Report External Report	Quarterly #1 Monthly Annually
EL-4 Protection of Assets	Internal Report External Report	Annually Annually
EL-5 Treatment of Clients	Internal Report	Semi-Annually
EL-6 Treatment of Staff	Internal Report	Annually
EL-7 Communication and Support to Board	Internal Report	Annually
EL-8 Compensation and Benefits	Internal Report	Annually
EL-9 Leadership Capacity & Continuity	Internal Report	Annually
EL-10 Significant Service Changes	Internal Report	Annually
EL-11 Environmental Impact	Internal Report	Annually
EL-12 Ethical Behaviour	Internal Report	Annually

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Complaints Re: CEO or Chief of Staff

Number: BC-5

Policy Type: Board-CEO Relationship

Date Approved: Nov. 6, 2008

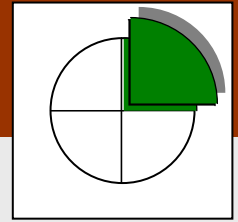
Date Revised:

The Board of Directors is directly responsible for the Chief Executive Officer and the Chief of Staff. To ensure due process and compliance with the principles of natural justice, the following process shall be adhered to when a Board member receives a public complaint with regards to one of them.

1. The Board Member shall inquire if the individual has approached the CEO or the Chief of Staff directly regarding the issue.
2. If the individual indicates a serious concern regarding directly approaching the CEO or Chief of Staff, the Board Member shall ask the individual to submit a written complaint to the Board Chair. (The Board member may assist the person to write the complaint if necessary.)
3. The Board Member shall not offer any evaluative comments or solutions.
4. The Chair & Vice Chair shall review the concern with the CEO or Chief of Staff. The individual shall be given an opportunity to provide justification for the reasonableness of his/her action as being compliant with board policy.
5. If the Chair and Vice Chair are satisfied that there has been a reasonable interpretation, they shall inform the complainant that the matter has been investigated and that they have been satisfied the complaint is without merit.
6. If the Chair and Vice Chair are NOT satisfied that there has been a reasonable interpretation, the individual shall be asked to provide a written monitoring report to the whole Board.
7. The Board shall investigate further as necessary, using external advice if required, and make a final decision.
8. The decision of the Board and consequences shall be shared with the CEO or Chief of Staff.
9. The results of this process will become part of the CEO's or Chief of Staff's formal evaluation.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Mission

Number: E

Policy Type: Ends

Date Approved: October 7, 2004

Date Revised: May 4, 2006
December 6, 2007
November 6, 2008

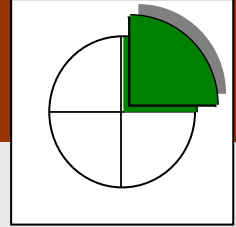
**Lake of the Woods District Hospital exists so that:
The people we serve receive optimal health care for a justifiable use of public resources.**

This End is further interpreted to include, but not limited to:

- People with illness or injury achieve optimum outcomes.
- Those we serve have information to make positive lifestyle choices.
- Health care delivery partners have enhanced capacity and capability to achieve their missions.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: People Achieve Optimum Outcomes

Number: E-1

Policy Type: Ends

Date Approved: October 7, 2004

Date Revised: May 4, 2006, Dec 6, 2007,
Nov. 6, 2008

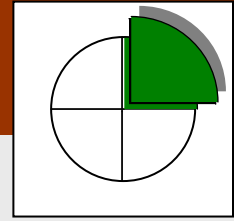
People with illness or injury achieve optimum outcomes. This is the highest priority.

This End is further interpreted to include, but not limited to:

1. People seeking mental health treatment have improved ability to function in society.
2. People can receive timely diagnosis and treatment based on best practice.
3. Access to optimum birthing care.
4. Maximum possible recovery within expected time-frames, with consideration of geographic and cultural issues.
5. People who are dying in the hospital experience dignity and compassion.
6. Patients are aware of other care options after discharge.
7. Reduction of the negative effects of substance abuse on health.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Information for Positive Lifestyle Choices

Number: E-2

Policy Type: Ends

Date Approved: October 7, 2004

Date Revised: May 4, 2006
December 6, 2007
November 6, 2008

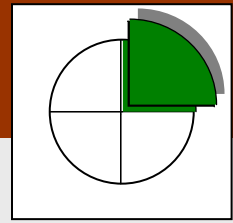
Those we serve have information to make positive lifestyle choices.

This End is further interpreted to include, but not limited to:

1. Information about the negative effects of substance abuse, including tobacco, on health.
2. Information about the effect of lifestyle on diabetes, circulatory disease, cancer, respiratory disease, injuries and poisonings.
3. Information about the negative effects of poor nutrition and inadequate exercise.
4. Information about the negative impacts of unhealthy sexual behaviour.
5. Information about the negative effects of gambling addiction.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Partners have Enhanced Capacity

Number: E-3

Policy Type: Ends

Date Approved: November 6, 2008

Date Revised:

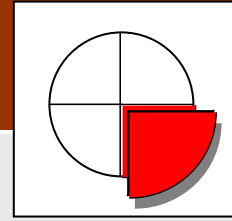
Health care delivery partners have enhanced capacity and capability to achieve their missions.

This End is further interpreted to include, but not limited to:

1. Timely, accurate results and reports are available.
2. Professional expertise of partner organizations is enhanced.
3. Partners have timely electronic access to relevant data and expert consultation.
4. People have a continuum of services that support optimal health.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: General Executive Constraint

Number: EL

Policy Type: Executive Limitations

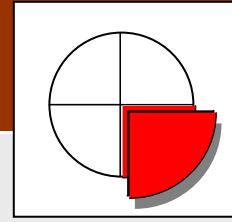
Date Approved: October 7, 2004

Date Revised:

The CEO shall not cause or allow any practice, activity, decision, or organizational circumstance which is either unlawful, imprudent or in violation of commonly accepted business and professional ethics or in contravention of Ontario or Federal legislation or regulations.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Planning: Hospital Strategic Plan

Number: EL-1

Policy Type: Executive Limitations

Date Approved: February 4, 2010

Date Revised:

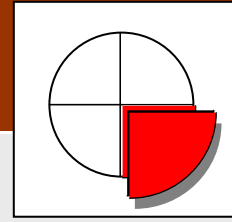
The CEO shall not operate without a long-range hospital strategic plan that is capable of achieving the Board's Ends.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Omit from the plan a viable financial plan within 2 years for construction of a new hospital
2. Operate without a multi-year hospital strategic plan aimed at supporting the achievement of the Board's Ends and that serves as a catalyst for continuous quality improvement and innovation.
 - 2.1. Omit from the multi-year strategic plan achievable, measurable and innovative performance objectives providing as a minimum information on specific Board Ends Policy addressed, person(s) responsible, and anticipated time of completion.
 - 2.2. Omit undertaking personal responsibility for certain specific performance objectives found within the plan.
 - 2.3. Implement the strategic plan prior to the board's assessment to determine that it is consistent with achievement of a reasonable interpretation of the Board's Ends.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Planning: Financial

Number: EL-2

Policy Type: Executive Limitations

Date Approved: October 7, 2004

Date Revised: November 9, 2009
February 4, 2010

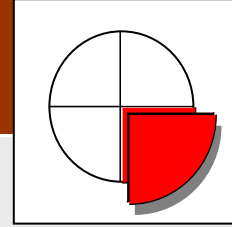
The CEO shall not permit financial planning for any fiscal year of the remaining part of any fiscal year to deviate materially from the Board's Ends priorities, risk fiscal jeopardy, fail to show a generally accepted level of foresight, or be inconsistent with a long-range plan capable of achieving the Ends.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Allow budgeting which contains too little information to enable credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions, and any significant changes in the organization's financial position.
2. Allow budgeting which plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
3. Allow budgeting which reduces the ratio of current assets to current liabilities below 1:1.
4. Allow budgeting which fails to provide a sufficient amount for Board prerogatives during the year as is set forth in the Cost of Governance policy.
5. Allow budgeting that fails to reserve a reasonable amount for replacement/repair of capital assets.
6. Operate without a Fiscal Advisory Committee consistent with the requirements of the Regulations under the Public Hospitals Act, Section 965 5(1).
 - 6.1 Prevent the Fiscal Advisory Committee from making direct representation to the Board.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Financial Condition and Activities

Number: EL-3

Policy Type: Executive Limitations

Date Approved:

October 7, 2004

Date Revised:

May 7, 2005, Feb. 7, 2008
Sept. 4, 2008, Nov. 6, 2008
Feb. 4, 2010

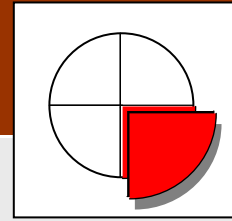
With respect to the actual, ongoing financial condition and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies.

Further, without limiting the scope of the above statement by the following list, the CEO shall not

1. Expend more funds than are projected to be received in the fiscal year to date unless the debt guideline (below) is met.
 - 1.1. Borrow more than \$750,000 on a short term basis (not to exceed 90 days) to cover operating expenses; or indent the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 90 days.
2. Use any restricted reserve funds.
3. Allow payroll or debts to be paid in an untimely manner.
4. Allow government ordered payments or filings to be overdue or inaccurately filed.
5. Make a purchase or commitment for a capital asset costing in excess of \$50,000 if the final cost exceeds the amount originally planned by 10%.
6. Acquire, encumber or dispose of land or buildings without prior approval by the Board of Directors and the Ministry of Health & Long Term Care.
7. Fail to aggressively pursue receivables after a reasonable grace period.
8. Allow funds in excess of \$50,000 to remain in a non-interest bearing account for more than one month.
9. Operate without policies to ensure that capital equipment disposal is handled in a fair and transparent manner.
10. Bind the Corporation to commitments over 5 years in length for expenditures exceeding \$100,000 per year.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Protection of Assets

Number: EL-4

Policy Type: Executive Limitations

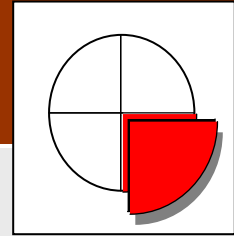
Date Approved: October 7, 2004

Date Revised: April 3, 2008
November 6, 2008
February 4, 2010

The CEO shall not allow corporate assets of the Lake of the Woods District Hospital to be unprotected, inadequately maintained or unnecessarily risked.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Fail to carry sufficient insurance against theft and casualty and liability losses for the organization.
2. Subject plant and equipment to improper wear and tear and insufficient maintenance.
3. Unnecessarily expose the organization, its Board or staff to claims of liability.
4. Make any purchase wherein normally prudent protection has not been given against conflict of interest, or without due consideration to quality, value, after purchase service and consideration of local businesses.
5. Fail to protect intellectual property, information and files from loss or significant damage.
6. Fail to maintain and enforce internal control policies consistent with GAAP regarding receiving, processing or disbursing funds.
7. Invest funds in investment vehicles prohibited under the Corporation by-laws.
 - 7.1. Invest in unsecure instruments, including uninsured chequing accounts and bonds of less than AA rating at any time, or in non interest-bearing accounts.
8. Allow cheques to be drawn on Corporate accounts that do not bear the signatures of two authorized signors.
9. Fail to provide external auditors access to all necessary information.
10. Shall not endanger the Hospital's image or credibility, particularly in ways that would hinder its accomplishment of mission.
 - 10.1 Shall not cause or permit actions that are inconsistent with active partnership and positive relations with key stakeholders, including community partners, government and funders.



Policy Name: Treatment of Clients

Number: EL-5

Policy Type: Executive Limitations

Date Approved: October 7, 2004

Date Revised: Sept. 8, 2005; April 6, 2006;
Dec. 6, 2007; Jan. 3, 2008;
Nov. 6, 2008; Jan. 8, 2009
June 4, 2009, Feb. 4, 2010

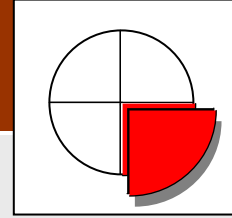
The CEO shall not cause or allow conditions, procedures, or decisions which are unsafe, unduly undignified, unnecessarily intrusive, that fail to provide adequate confidentiality or privacy of the person or that otherwise jeopardize the quality of care or service to clients or potential clients, or are inconsistent with continuous quality improvement and patient-focused innovation.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Tolerate that a client be treated any other way than with dignity and compassion.
 - 1.1. Permit clients to be without reasonable protection from abuse.
 - 1.2. Allow services to be delivered in a manner insensitive to the patients' culture.
2. Elicit information for which there is no clear necessity.
3. Permit treatment without informed consent.
4. Operate without maintaining standards that meet the requirements for accreditation by Accreditation Canada.
5. Operate without an appeal process for those who believe they have not been accorded a reasonable interpretation of their rights under this policy.
6. Operate in a way that does not ensure that patient safety is an organizational priority and goal of all involved in the patient's care.
 - 6.1 Permit the organization to be without a culture of safety.
 - 6.2 Operate without measures to prevent and contain hospital acquired infections.
 - 6.3 Operate with staffing levels that pose a threat to client safety.
7. Allow clients to be without access to spiritual care.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Treatment of Staff and Volunteers

Number: EL-6

Policy Type: Executive Limitations

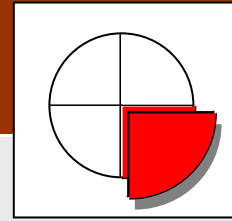
Date Approved: October 7, 2004

Date Revised: May 7, 2005, Dec. 6, 2007
Nov. 6, 2008, Feb. 4, 2010

The CEO shall not cause or allow a working environment which is unfair, disrespectful, unhealthy or unsafe.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Operate without written personnel policies which clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and grossly preferential treatment for personal reasons.
 - 1.1 Operate without processes to reasonably protect staff and volunteers from verbal or physical abuse.
2. Permit employees, volunteers, Hospital Auxiliary members, Foundation members, Wassay-Gezig Na-Nahn-Dah-We-Igamig employees and physicians to work without adequate orientation to the organization's policies, procedures, facilities and equipment appropriate to their work assignment.
3. Operate without sufficient staffing to provide for staff and volunteer safety.
4. Permit employees and volunteers to perform their required function without adequate training or evidence of adequate training.
5. Allow staff to be without access to spiritual care.



Policy Name: Communication and Support to the Board

Number: EL-7

Policy Type: Executive Limitations

Date Approved: October 7, 2004

Date Revised: February 4, 2010

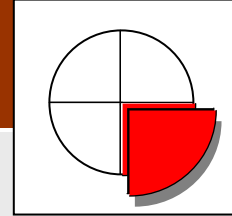
The CEO shall not permit the Board to be uninformed or unsupported in its work.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Fail to make available to the Board adequate information to support informed Board choices, including relevant environmental scanning data, a representative range of staff and external points of view, including the views of medical staff on clinical issues; significant issues or changes within the external environment which may have a bearing on any existing Board policies, along with alternative choices and their respective implications
2. Neglect to submit monitoring data required by the Board (see policy on Monitoring CEO Performance) in a timely, accurate and understandable fashion, including a reasonable interpretation of board policy, rationale, and evidence of compliance.
3. Fail to inform the Board of anticipated adverse media coverage, changes in executive personnel, actual or potential lawsuits against the organization, significant or publicly visible external and internal changes or events, major contracts or contracts with high public visibility.
4. Fail to advise the Board if, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-CEO Linkage, particularly in the case of Board behaviour which is detrimental to the work relationship between the Board and the CEO.
5. Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate between information of three types: monitoring information, decision preparation information, and incidental information.
6. Fail to provide a mechanism for official Board, officer or committee communications.
7. Fail to deal with the Board as a whole except when:
 - fulfilling individual requests for information or
 - responding to officers or committees duly charged by the Board.
8. Fail to report in a timely manner an actual or anticipated non-compliance with any Ends or Executive Limitations policy of the Board.
9. Fail to supply for the consent agenda all items delegated to the CEO still required by law or contract to be board-approved, along with the monitoring assurance pertaining thereto.
10. Fail to make board decisions available and easily acceptable to the public.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Compensation and Benefits

Number: EL-8

Policy Type: Executive Limitations

Date Approved: October 7, 2004

Date Revised: February 4, 2010

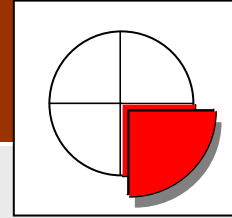
With respect to employment, compensation and benefits to employees, consultants, and contract workers the CEO may not cause or allow unfair compensation practices, or jeopardy to fiscal integrity or public image.

Accordingly, the CEO may not:

1. Change his or her own compensation and benefits.
2. Establish current compensation and benefits which deviate materially from the geographic or professional market for the skills employed.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Leadership Capacity & Continuity

Number: EL-9

Policy Type: Executive Limitations

Date Approved: October 7, 2004

Date Revised: February 4, 2010

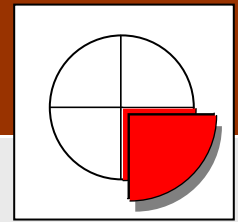
The CEO shall not endanger the continuity of organizational leadership or ignore the building and continuous improvement of organizational capability sufficient to provide proactive leadership for achievement of Ends in future years.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Permit the hospital to be without sufficient organizational capability for the competent operation of the hospital to continue in the event of sudden loss of CEO services.
2. Operate without succession planning processes in place to facilitate smooth operations during key personnel transitions and ensure competent operation of the hospital in all areas over the long term.
3. Operate without a written plan for continued professional development of the senior leadership team, including the CEO, designed to enhance the team's continuous improvement of the professional competencies outlined in the Certified Health Executive program of the CCHSE.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Significant Service Changes

Number: EL-10

Policy Type: Executive Limitations

Date Approved: October 7, 2004

Date Revised: February 4, 2010

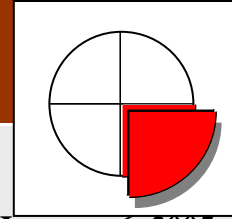
The CEO shall not make extensive changes in services without appropriate consultation.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Make the following changes without prior Board approval:
 - Changes in the essential nature of a facility or service.
 - Change in service that is anticipated to have a major negative impact on a community.
2. Fail to consult with affected stakeholders when determining the appropriateness of means for achieving the Board's Ends.
 - 2.1. Fail to meet with stakeholders prior to implementing changes in levels of service to the public.
 - 2.2. Fail to consult the affected communities regarding potential uses for facilities which are no longer required for their current purposes.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Environmental Impact

Number: EL-11

Policy Type: Executive Limitations

Date Approved: January 6, 2005

Date Revised: October 6, 2005
May 6, 2010

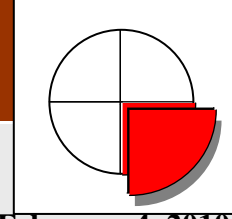
The CEO shall not cause or allow operation of the Lake of the Woods District Hospital and its services in ways that cause more than the least possible harm or risk of harm, to the natural environment.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

1. Generate more than minimized amount of waste in operating the hospital and its services.
 - 1.1 Operate without effective recycling practices.
2. Operate with less than the best possible energy efficiency.
3. Allow more than the minimal possible pollution as a result of the operation of the hospital and its services.
4. Permit the use of hazardous products if acceptable substitutes exist.
5. Permit electronics purchase and disposal practices that unnecessarily damage the global environment.
6. Adopt food procurement policies that are ecologically unsound or socially irresponsible.
7. Plan future construction projects that omit sustainable design concepts.

LAKE OF THE WOODS DISTRICT HOSPITAL

BOARD OF DIRECTORS POLICY



Policy Name: Ethical Behaviour

Number: EL-12

Policy Type: Executive Limitations

Date Approved: February 4, 2010

Date Revised:

The CEO shall not operate without internal processes that require a high degree of integrity at all levels of the organization.

Further, without limiting the scope of the above by the following list, the CEO shall not:

1. Operate without an internal Code of Conduct, of which all employees are made aware, that clearly outlines the rules of expected behaviour for all employees.
 - 1.1. Operate without written policies which prevent conflict of interest.
2. Operate without providing employees and others with an effective mechanism for anonymous and confidential reporting of alleged or suspected improper activities, without fear of retaliation.
 - 2.1. Permit any employee to be adversely affected because the employee refuses to carry out a directive which would result in an improper activity.
 - 2.2. Allow the Board to be uninformed about any potential reputation exposure related to these matters.
 - 2.3. Neglect to maintain detailed records of all matters raised under this Policy.
3. Operate without an ethical framework that defines formal processes for managing ethics-related issues and concerns related to patient care.
 - 3.1 Permit research studies and/or experimentation involving patients to be done in an unethical manner or without appropriate informed consent.