

Policy 1 – Board Responsibilities and Conduct

1. INTRODUCTION

- 1.1. **Purpose.** The Stanton Territorial Hospital Foundation (the “**Foundation**”) is committed to supporting and assisting the Stanton Territorial Health Authority through the provision of funds for capital equipment, specific training needs, special projects, and other Health Authority programs.
- 1.2. **Application.** These directives and policies for responsibilities applies to all members of the Foundation’s Board of Directors (the “**Board**”). The principles outlined in this document are intended to:
 - Codify a standard of conduct that all Directors are expected to abide by;
 - Protect the interests of the Board;
 - Maintain the Board’s reputation for integrity;
 - Foster compliance with applicable legal and regulatory obligations; and
 - Orientate Directors to expectations and responsibilities of the Board.
- 1.3. **Responsibility.** The principles in this policy are the individual and collective responsibility of all Directors.
- 1.4. **Purpose.** The purpose of this policy is to set out the standards of conduct for Directors and take all reasonable steps to ensure that the Board provides the independent governance, oversight and accountability required by the Foundation to fulfill its strategy, mission and mandate.
- 1.5. **Expectation.** All Directors are expected to read and understand this policy and their responsibilities under it.
- 1.6. **Mandatory Compliance.** These principles require a constant and high standard of ethical conduct for all directors. Directors must act in accordance with these principles.
- 1.7. **Other Requirements.** This policy outlines basic principles that apply generally to directors of the Board. In addition, the Board has or may adopt various mandates, policies and procedures applicable to specific topics and activities with which directors are also expected to comply.
- 1.8. **Revisions.** This policy may be revised from time to time to reflect changing legal, regulatory and ethical standards.
- 1.9. **Doubt.** Where a Director is in doubt about the application or interpretation of any legal requirement or this policy, they should seek the advice of another Director or the Chair of the Board for clarification. If necessary, the Board will engage legal counsel to provide further advice and guidance.

1.10. **Signature.** Each Director will review this policy and sign the Director’s Code of Ethics Form upon election to the Board.

1.11. **Breach of the Board’s Principles or Policies.** Directors must be seen by stakeholders to be honest and above reproach at all times. Any violation of this policy, Code of Ethics or applicable laws and regulations, including the requirements set out in this policy, may require a director to resign from the Board and may also result in civil, criminal or regulatory action.

Any director who, during the course of their duties for the Board, has:

- Engaged in criminal activities;
- Allowed a situation causing a material conflict of interest to arise;
- Knowingly breached their obligations with regard to the use or disclosure of confidential information;
- Intentionally permitted the input of inaccurate information into the Board’s books and records;
- Knowingly accepted improper documentation; and/or
- Knowingly misrepresented or omitted, or permitted others to misrepresent or omit, material facts about the Foundation to others;

will face disciplinary action, which might include having to resign from the Board, even where there is no loss to the Foundation.

2. DEFINITIONS

2.1. “*Apparent Conflict of Interest*” means a conflict, which can be deduce from appearances or where there is a reasonable apprehension or likelihood that a conflict exists.

2.2. “*Board*” means the Stanton Territorial Hospital Foundation Board of Directors.

2.3. “*Code*” means the Board’s Code of Ethics, as amended from time to time.

2.4. “*Conflict of Interest*” includes actions or decision that Directors take on behalf of the Board that provide, appear to provide, or have the potential to provide them with an opportunity to further the Private Interests of themselves or a member of their immediate family, or any situation where the Director’s Private Interests interfere, or may appear to interfere, in any way with the Board’s interests or with the interests of parties appearing before or making representations to the Board, and includes Apparent Conflicts of Interest.

2.5. “*Confidential Information*” consists of any information relating to the Board or Foundation that a Director has access to and is not generally known to the public. Confidential Information includes but is not limited to: RFP bids, hospital staffing costs, all and any patient information.

2.6. “*Director*” means a member of the Board.



- 2.7. “*Foundation*” means the Stanton Territorial Hospital Foundation.
- 2.8. “*Private Interest*” includes personal obligations, financial interests, and business interests. A Private Interest does not include an interest in a matter that is of general application; that affects a person as one of a broad class of the public; or is trivial.

3. GENERAL CONDUCT

- 3.1. Directors will comply with the letter and spirit of all laws and regulations applicable to the Foundation. A concern for what is right must underlie all business decisions and dealings that the Foundation is a part of. This policy provides guidance for such decisions.
- 3.2. Directors, recognizing theirs is a position of trust, will conduct the affairs of the Foundation in a loyal, prudent and honest manner while applying due care and diligence to their decision-making. Directors must act honestly and fairly and exhibit a high ethical standard in their dealings with all stakeholders. Involvement or even attempted involvement in dishonest activity is unacceptable and may result in disciplinary action, which might include having to resign from the Board. Further, regulatory and/or public disclosure may be required.
- 3.3. All Directors are responsible for satisfying that information provided for public communications, or government or regulatory agency reports and documents the Foundation is required to file, is complete, accurate and current and that the disclosure in reports and documents that the Foundation files with, or submits to, regulators as well as in public communications made by the Foundation, is full, fair, accurate and timely.
- 3.4. If a Director becomes aware of a materially inaccurate or misleading statement in a public communication, that director must report it immediately to the Chair of the Board. Making false or misleading statements to external auditors can be a criminal act that can result in severe penalties. No director may directly or indirectly take any action to fraudulently influence, coerce, manipulate or mislead the Foundation’s independent external auditors for the purpose of rendering the Foundation’s financial statements misleading.
- 3.5. All individuals should be treated fairly, equitably, with decency and with the utmost respect. Harassment or discrimination of any sort is strictly prohibited.
- 3.6. Directors will represent the Foundation and the Board in a positive and supportive manner at all times and in all places.
- 3.7. Directors are expected to conduct themselves and fulfill their duties to the Board professionally, diligently and effectively, including devoting sufficient time and attention to their respective duties and obligations to ensure the Board’s decision-making process is well informed and balanced.



- 3.8. Directors will ensure that the Board performs its duties of governance.
- 3.9. Directors will actively support the Foundation by providing overall resources, direction and time frames to achieve the identified visions and goals of the Foundation. Directors will publicly support actions taken by the Foundation and the Board in an affirmative manner, even when they may be in a minority position with respect to any such action.
- 3.10. Each Director will vote on all motions put before the Board, unless a Conflict of Interest has been declared.
- 3.11. Each Director is expected to attend all scheduled meetings; be fully prepared to participate; listen to the opinions of others with respect; encourage robust discussion and constructive dissent; and share the workload.
- 3.12. The public and media spokespersons for the Foundation will be the Chair or acting Chair and the Executive Director unless another member of the Board is specifically delegated the authority to represent the Foundation. The delegation may be in the form of a direct delegation through an approved communications plan. If the Chair, Executive Director or a designated Director is unable to speak with the media, Directors are to carefully consider their statements before making them. If unsure of details, members should not provide any and refer the media to the appropriate person. The Executive Director is to be advised of all such media contacts.
- 3.13. It is each Director's responsibility to be aware of the Donor Recognition Directives.

4. BOARD ATTENDANCE

- 4.1. The Board is comprised of a working board of individuals who agree to serve on the Board and who endeavor to attend all meetings of the Board. The Nominating Committee will make clear to any potential Board member the expectation regarding attendance.
- 4.2. Board members are expected to advise the Executive Director of the intent to be absent from a scheduled Board meeting.
- 4.3. If a Director is absent for three (3) or more consecutive scheduled meetings, the Chair will review the matter with the Director and seek a resolution. Directors are recorded as absent if they do not inform the Foundation that they will not be present at the Board meeting.

5. GOVERNANCE

- 5.1. The Board will govern and operate the Foundation to achieve its mission in an ethical and prudent manner.

5.2. The Board will ensure the following are in place and reviewed annually:

- A mission statement;
- A vision and strategic long-term plan;
- A policy framework to guide and direct the work of the Board;
- An organizational design that enables work to be done efficiently and effectively;
- Processes to inform and involve stakeholders and other interested parties;
- A process for evaluation of the Board's performance; and
- A position description and performance planning approach for the Executive Director.

5.3. The Board will focus on the long-term viability and success of the Foundation. The Board will provide competent, conscientious and effective stewardship of the Foundation.

5.4. The Board will be accountable to all stakeholders for the results of the Foundation. The Board will monitor and strive to improve its performance.

6. CONFLICT OF INTEREST

6.1. **Guiding Principle.** Conflicts can occur between the interests of directors and the Foundation. Directors must take care to ensure that they identify and avoid any situation of actual or apparent Conflict of Interest, whether the situation involves the Director directly or a member of their immediate family. Even when a Director believes that their actions would not be influenced, the Director must take steps to guard against even the appearance of a conflict. In resolving conflicts, Directors must subordinate their personal interests to the Foundation.

6.2. Directors have a continuing obligation to promptly and fully disclose any and all Conflicts of Interest, including Apparent Conflicts of Interest, in writing to the Chair. A disclosure alone does not remove a Conflict of Interest.

6.3. Directors will remove themselves from situations where their continued presence on the Board may cause embarrassment to the Foundation or undermine the confidence of their peers.

6.4. Directors will at all times:

- Seek to avoid, and if this is not possible, promptly disclose and report fully, any real or Apparent Conflict of Interest without limitation to the Board and the Chair;
- Not seek to influence the matter to which there is a Conflict of Interest;
- Absent themselves from the discussion pertaining to the Conflict of Interest; and
- Cooperate fully in the information pertaining to, and the management of, the Conflict of Interest, in accordance with this policy.

6.5. Each Director must immediately take steps to resolve a real or Apparent Conflict of Interest.

- 6.6. Where a Conflict of Interest cannot be avoided, Directors must take the appropriate steps to manage the conflict in consultation with the Chair. This could include steps such as:
- Removing oneself from matters in respect of the Conflict of Interest;
 - Avoiding the particular interest or activity causing the Conflict of Interest; or
 - Resigning from the Board.
- 6.7. If an unanticipated Conflict of Interest arises during a meeting or other business of the Board, Directors must bring this to the attention of the Chair as soon as possible.
- 6.8. All disclosures of Conflicts of Interest will be recorded in the meeting minutes. In the case of a staff member, the disclosure, along with the time and date, will be recorded in their personal file and the Board will be promptly advised.

7. CONFIDENTIALITY

- 7.1. Directors will maintain confidentiality of the Board's and Foundation's information, both during and after their term. Directors must not disclose any Confidential Information to anyone outside the Board, except with the Board's prior written authorization or as required by law.
- 7.2. It is the responsibility of each Director to know what information is Confidential Information. If unclear, Directors should operate on the basis that any information obtained through their position as a Director is Confidential Information.
- 7.3. Directors must not use any Confidential Information in any way for personal benefit or for the benefit of anyone other than the Board and Foundation, whether during the term of their employment, directorship or at any time after.
- 7.4. Each Director will avoid any activity that may create an appearance that the Director has benefitted from Confidential Information received during the course of one's duties as a Director. The provision of this clause will continue to apply to bind each Director without limitation after the Director's term of service has expired.
- 7.5. Directors must take all reasonable steps to protect Confidential Information, including the following:
- 7.5.1. controlling access to Confidential Information;
 - 7.5.2. exercising care when discussing Confidential Information with other directors, employees of the Foundation, and other third parties (including family members and friends);
 - 7.5.3. not discussing Confidential Information in public places, such as airplanes, elevators and restaurants;
 - 7.5.4. keeping documents involving the Foundation away from areas where they can be lost, stolen or viewed by individuals without a need to know, and taking steps to secure sensitive information when it is unattended;
 - 7.5.5. safeguarding documents being taken away from the Foundation premises;

- 7.5.6. being aware that conversations on cellular phones and communications over the internet may not be confidential and acting accordingly;
- 7.5.7. ensuring the correct fax number or e-mail address is used when sending a communication, using a secure fax line where appropriate and obtaining appropriate authority from the individual to communicate electronically;
- 7.5.8. adhering to the Foundation guidelines on records management;
- 7.5.9. not leaving computers and personal computing devices such as iPads unattended and accessible to individuals without a need to know, and logging off computers and personal computing devices such as iPads when not in use; and
- 7.5.10. not sharing Confidential Information about the Foundation with companies that are, or may be, seeking to provide products or services to the Foundation, except as required in any bidding process after authorization from the Foundation.

8. GIFTS

- 8.1. Directors must not accept fees, gifts or other benefits that are connected directly or indirectly with the performance of their Board duties from any individual or entity other than in the normal exchange of hospital between persons doing business together, token exchanged as part of protocol or the normal presentation of gifts to persons participating in public functions.
- 8.2. The monetary value of a single gift should not exceed one hundred (\$100.00) dollars and must not include cash, cheques, gift cards or gift certificates. The monetary value of gifts received within a one (1) year period from a single source must not exceed a total of two hundred (\$200.00) dollars.

9. DISCLOSURES AND REPORTING

- 9.1. Directors will self-report breaches of the policy and have a responsibility to report potential breaches by other Directors to the Chair.
- 9.2. If a Director is charged with an offence under the *Criminal Code of Canada* or the *Controlled Drugs and Substances Act (Canada)* arising from the conduct of the Director while engaged in Board related activities or not, the Director will immediately report the charge to the Chair.
- 9.3. When reporting a potential breach of another Director in good faith and with reasonable grounds, the reporting Director will be protected from reprisal for such reporting. The identity of the person reporting a breach or potential breach will not be disclosed by the Chair unless required by law.
- 9.4. Directors who have breached, or are in a potential breach, of this policy may be required to resign, or may request an exemption from such breach or potential breach, by a determination of a special majority of the subject Director's peers.



10. WAIVER

10.1. From time to time, a situation may arise that warrants a waiver of one or more provisions of this policy. A director who believes that a waiver may be appropriate should first consult with the Chair of the Board. However, a waiver may only be granted by the Board of Directors or a Committee of the Board of Directors and must be disclosed promptly as required by law.

10.2. Any waiver of this policy may only be given in writing.

11. MAINTENANCE AND REVIEW

11.1. This policy will be reviewed every twenty-four (24) months to ensure its continued effectiveness.

11.2. This policy was last reviewed by the Board on April 15, 2016.



Form A – Director’s Code of Ethics

Honesty and Good Faith – I will act honestly and in good faith. I will not violate the trust of the stakeholders I serve.

Care, Diligence and Skill – I will exercise the degree of care, diligence and skill of a reasonably prudent person in comparable circumstances. I will make a concerted effort to attend all Board meetings. I will act responsibly and with due diligence to become familiar with the affairs of the Foundation.

Conflict of Interest – I am not currently aware of any actual or potential conflict of interest with respect to any contract, transaction, legal action, proceedings or any matter detrimental to the Foundation. If I become aware of any conflict, I will immediately disclose it to the Board. I will not promote my own interests or those of any family member, friend or business partner to the detriment of the Foundation. I will not seek any special benefits or privileges as a Director or Officer or accept any compensation either personally or on behalf of any other person. I will act only in the best interests of the Foundation as a whole and I will not favour the interests of any individual or group of individuals.

Confidentiality – I will not disclose to any person (including my spouse) information decided by the Board to be confidential or privileged or that reasonably ought to be deemed confidential. When in doubt, I will request determination by a resolution of the Board.

Good Conduct – At all times, I will conduct myself in a professional and businesslike manner at meetings of Directors. I will approach all Board issues with an open mind, preparing to make the best decisions on behalf of the Foundation. I will act ethically with integrity and in accordance with legal criteria. I will comply with rules of good conduct and will deal with others in a respectful manner. I will comply with principles of good governance and procedural rules of order.

Support – I will abide by decisions of the majority of the Directors even though I may disagree, but I reserve the right to express my own views to third parties on non-confidential issues.

Defamation – I will not make erroneous or defamatory statements about the Foundation or any director, officer, manager, staff or contractor of the Foundation.

Minimize Conflict – I will attempt to prevent or minimize conflict and disruption and will promote good relations amongst persons involved in our community. I will promote a first-class image for our Foundation and Board.

Signed: _____

Date: _____

Name: _____