



Board of Directors Governance Handbook, 2014



Canadian Institute
for Health Information

Institut canadien
d'information sur la santé



Our Vision

Better data. Better decisions.
Healthier Canadians.

Our Mandate

To lead the development and maintenance of comprehensive and integrated health information that enables sound policy and effective health system management that improve health and health care.

Our Values

Respect, Integrity, Collaboration,
Excellence, Innovation

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Introduction

The Canadian Institute for Health Information (CIHI) is committed to adhering to the highest standards in its corporate governance practices. CIHI's Board of Directors is responsible for providing the strategic leadership necessary to establish and review CIHI's vision, mandate and corporate goals and objectives.

This governance handbook is designed to provide directors with an overview of the organization and the structures and methods by which the organization is governed.

Directors are also invited to visit CIHI's website (www.cihi.ca) for up-to-date information on CIHI's products and services.

CIHI Overview

CIHI is an independent, not-for-profit corporation that plays a unique role in Canada's health sector; it is funded by the federal and provincial/territorial ministries of health. Its work is guided by a Board of Directors made up of health leaders from across the country.

CIHI leads the development and coordination of a common approach to health information in Canada. This includes the development of standards and methodologies, the creation and maintenance of databases that hold reliable and nationally comparable data, and the promotion of improved understanding and use of health information in a way that ensures the privacy of Canadians.

Working with our partners, we help improve the depth and breadth of Canada's health data by building and maintaining critical pan-Canadian databases that enable comparisons within and among jurisdictions. We produce data analyses that respond to important questions about Canada's health systems and that assist policy-makers, health system managers and practitioners in making informed decisions.

CIHI's core functions include

- Identifying health information needs and priorities;
- Coordinating and promoting the development and maintenance of national health information standards;
- Developing and managing health databases and registries;
- Conducting analyses in the areas of population health and health services;
- Developing national health indicators; and
- Conducting education sessions.

Strategic Plan, 2012 to 2017

Our new strategic plan is founded on a vision for CIHI's future of linking data to decisions and health outcomes. Our new vision statement—Better data. Better decisions. Healthier Canadians.—portrays how better data can lead to better decision-making and improve the health of Canadians. It is embodied in our strategic goals: improving the quality and comprehensiveness of our data, supporting population health and health system decision-making, and delivering organizational excellence.

Our Vision

Better data. Better decisions. Healthier Canadians.

Our Mandate

To lead the development and maintenance of comprehensive and integrated health information that enables sound policy and effective health system management that improve health and health care.

Goals and Priorities

Improve the comprehensiveness, quality and availability of data

- Provide timely and accessible data connected across health sectors
- Support new and emerging sources of data, including electronic records
- Provide more complete data in priority areas

Support population health and health system decision-making

- Produce relevant, appropriate and actionable analysis
- Offer leading-edge performance management products, services and tools
- Respond to emerging needs while considering local context

Deliver organizational excellence

- Promote continuous learning and development
- Champion a culture of innovation
- Strengthen transparency and accountability

For further details on our goals and priorities, please consult the strategic plan, which can be found on our website.

Our Foundation

At CIHI, we refer to four key foundational elements when making decisions in our day-to-day interactions with employees, customers and stakeholders. These reflect our culture and our business and are critical to our success as an organization and in meeting our strategic goals:

Quality and data standards: Using the raw data collected from our stakeholders, we produce high-quality data, standards, and products and services for our customers.

Privacy and security of data: We maintain the privacy and security of the data we hold and work closely with the privacy community across the country to ensure that our policies are in keeping with best practices.

Information technology: Our information technology infrastructure ensures that data is accurate, secure and available for use. Well-supported applications yield analyses that are produced efficiently and effectively.

Partnerships: We partner with a broad range of health organizations and governments throughout the country and internationally. With our collaborative approach, Canadians benefit from the country's collective expertise while avoiding duplication of effort and cost.

Our Values

Our values guide us in our day-to-day work and relationships with others. As part of the renewal of our strategic plan, we refocused our values, committing to a core set that serves as the basis for our culture.

Respect: Our approach is rooted in respect for our customers and colleagues and for their experience, expertise, creativity and well-being.

Integrity: Integrity and trust underpin everything we are and everything we do—in our relationships with customers and colleagues; in the data collection, analysis and research we undertake every day; and in our commitment to privacy, confidentiality and security of information.

Collaboration: Our best work comes through a collaborative approach, leveraging the experience, expertise and creativity of our partners.

Excellence: We are guided by the highest ethical, professional and statistical standards in integrating, analyzing and disseminating the health data and information we gather.

Innovation: Health and health care are characterized by change and innovation, and at CIHI we are committed to a culture of innovation to deliver the highest-quality service, advice and products to our clients.

Who We Serve

CIHI produces information and analyses that are publicly available for stakeholders in the health system and beyond. When setting priorities among the needs of stakeholders, we concentrate on senior government leaders and others involved in developing health policy; those who lead, plan and manage the delivery of health services at the front line; and members of the general public. We also support those who use data for health and health services research; health professionals and health records staff who are involved in the collection of data; and academics who help train our future health leaders.

Our plan reflects the needs of our priority customers—funders, policy-makers and health system managers—as well as other important customers, including data providers, analysts, clinicians and researchers.

CIHI's Formation

In the late 1980s, the need for improved health information was identified as a priority to support the management of the health system; to address this need, the National Health Information Council (NHIC) was established in 1989. The council was composed of federal, provincial and territorial government representatives and reported to the Conference of Deputy Ministers of Health and the chief statistician of Canada.

In 1990, the NHIC established the National Task Force on Health Information, chaired by Dr. Martin Wilk, former chief statistician of Canada, to formulate strategic planning recommendations concerning health information in Canada. The 1991 Wilk Task Force report included in its recommendations the creation of a national health information coordinating council and a non-government institute for health information. The summary report is available on the Board Portal, as part of the orientation material for new members.

In September 1992, Canada's ministers of health approved in principle the creation of CIHI as "a concrete expression of the vision for health information in Canada." In December of the same year, the boards of the Hospital Medical Records Institute (HMRI) and The MIS Group, as well as the deputy ministers of health and chief statistician of Canada, approved the business and integration plan.

HMRI, The MIS Group, Health Canada and Statistics Canada voted to proceed with incorporation in September 1993.

CIHI was officially incorporated in December 1993, and it started operations in February 1994. In 1995, selected health information programs from Health Canada and Statistics Canada were transferred to CIHI.

CIHI's Funding

CIHI receives its funding, based on a proportional model, from the provincial/territorial ministries of health and the federal government. The proportion coming from these two levels of government has evolved over the years. In the early days, CIHI was primarily funded through bilateral agreements with provincial/territorial ministries of health, as well as through some core funding from the federal government (through contribution agreements with Health Canada and Statistics Canada) and a small amount of revenue generated from the sale of products and services. Over the years, CIHI has received significant amounts of additional funding from Health Canada for specific projects, such as the Health Information Roadmap Initiative. Below are some of the specifics of this evolution.

Federal Funding: 1994 to Today

- Between 1994 and 1997, more than 50% of CIHI's revenues were based on fees for services. In 1998, a national consultation process involving more than 500 health system managers, policy-makers and researchers resulted in the development of a proposal to address health data gaps; this was articulated in the report *Health Information Needs in Canada*. Based on this work, the Health Information Roadmap Initiative (Roadmap I) was launched in 1999, when the federal budget provided funding to CIHI and Statistics Canada. Roadmap I outlined a four-year plan to modernize health information in Canada and provided answers to two basic questions:
 - How healthy are Canadians?
 - How healthy is Canada's health care system?
- Since then, the federal government has provided CIHI with additional funds for Roadmap II, II+ and III to continue the original Roadmap objectives, to further support federal/provincial/territorial reporting of comparable performance indicators, to address new priority health information needs that were identified in the 2003 Health Accord and to improve data collection and reporting on health system performance.
- In 2007, CIHI's funding under the Health Information Initiative was a consolidation of Roadmap II, II+, III and the original Health Information Contribution Program; it provided for sustained funding related to CIHI's operations and the ongoing maintenance and enhancement of Roadmap deliverables. The 2007 federal budget also included up to \$22 million per year of additional funding to allow CIHI to enhance the coverage of its data holdings and continue to develop new comparable health indicators (in areas such as patient safety, quality and access to care, health outcomes, primary care, mental health and Aboriginal health).
- In 2012, CIHI renewed its funding with Health Canada for a three-year term, with annual funding of up to \$81.7 million in 2012–2013, \$79.3 million in the subsequent year and \$77.7 million in the final year of the agreement.

Bilateral Agreements: 1994 to Today

Since 1994, CIHI has provided an increasingly diverse and complex range of products and services to provincial/territorial governments, health regions and health facilities. By 1996, it was determined that the financing of these products and services would be better served by a single comprehensive service contract. A series of bilateral discussions ensued between CIHI and each provincial/territorial ministry/department of health. Three-year agreements were signed with the ministers of the majority of provinces and territories, effective April 1, 1997. Since 2006, all provinces and territories have had a ministry-signed bilateral agreement with CIHI.

A bilateral agreement is an agreement between CIHI and the minister of health in each jurisdiction. Through the agreement, the minister contracts with CIHI for a group of products and services (the Core Plan) to be provided to the ministry and identified health regions and facilities. In exchange, the minister agrees to pay directly to CIHI the Core Plan annual fee. The essential elements of each bilateral agreement are identical, with some minor provincial-/territorial-specific amendments.

CIHI Bylaw 01-12

In November 2012, the Members of the Corporation and the CIHI Board of Directors approved the revised CIHI Bylaw 01-12, in order to comply with the new *Not-for-Profit Corporations Act* (NFP Act). The NFP Act is new federal legislation that is meant to streamline the regulatory burden on Canada's not-for-profit sector. It was given royal assent in June 2009 and came into force on October 17, 2011.

The NFP Act promotes modern standards of accountability, transparency and good corporate governance, replacing provisions of the *Canada Corporations Act* (CCA) that had remained unchanged since its passage in 1917.

Please see Appendix A for the complete CIHI Bylaw 01-12.

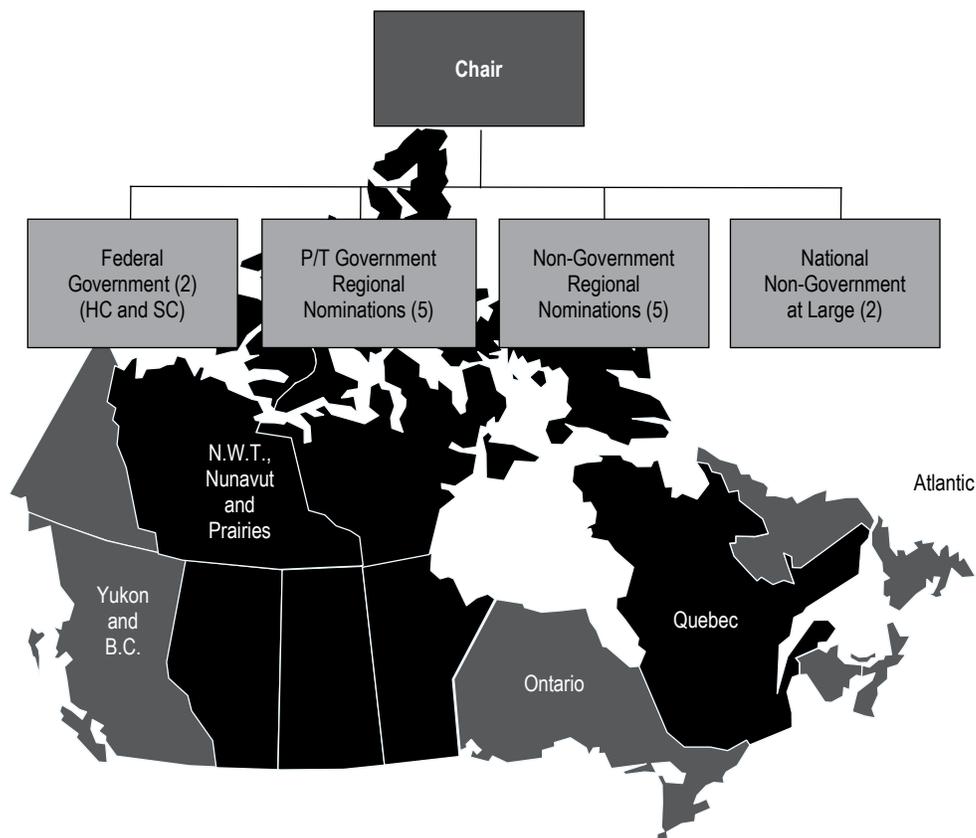
Board Structure and Roles

Composition

CIHI's Board of Directors is composed of 15 members; representation is proportional to create a balance among health sectors and regions of Canada. It links federal, provincial and territorial governments with non-government health-related groups.

CIHI's Board includes

- One director or designate from Health Canada (HC);
- One director or designate from Statistics Canada (SC);
- Ten regional directors, where each of the five regions is represented by two directors, as follows:
 - Five directors nominated by the provincial/territorial governments; and
 - Five directors nominated by a non-governmental individual or organization;
- Two directors at large who are nominated by a non-governmental individual or organization; and
- One director at large, independent of government or non-government organizations, who will act as the Chair.



Members of the Corporation

In accordance with CIHI Bylaw 01-12, the Members of the Corporation are the directors of the Board, and the directors of the Board are the Members of the Corporation.

Members of the Corporation are expected to attend annual general meetings, elect directors to the Board, appoint CIHI's auditors and approve the corporation's financial statements.

Governance Over the Years

Between 1994 and 1997, CIHI's Board consisted of 28 members, who were chosen to allow for balanced sectoral and geographical representation.

In 1997, Price Waterhouse conducted a review of CIHI that focused on its governance model, mandate and operations. It recommended that CIHI adopt a regional model of governance, with a Board made up of no more than 18 members; it was decided that the Board would have 15 members. Price Waterhouse also identified the need to better operationalize CIHI's mandate, with a particular focus on increasing its production of policy-relevant analytical outputs, the development of longer-term strategic directions and a review of the current management structure.

In 2007, a governance review was conducted by Oliver Wyman. The specific objectives of the review included examining the Board's committee structure, practices and processes and developing recommendations that reflect current governance best practices and procedures. There was also a specific focus on the development of a new Board self-evaluation tool. While it was noted that the Board was effective in its roles and practices, several recommendations were made, all of which were acted upon. These included

- Developing a President and CEO succession plan;
- Increasing the involvement of the Board in strategic matters (for example, through biennial Board strategic retreats);
- Improving Board member orientation; and
- Other best practice process changes.

The Board's Role

The Board of Directors provides the strategic leadership necessary to establish and review CIHI's mission, vision, mandate and corporate goals and objectives. The Board focuses on policy direction, with a clear distinction from the internal management role of the President and CEO. As well, the Board provides oversight of CIHI's Pension Plan.

As a whole, the Board represents the collective interests of the provincial, territorial and federal governments, as well as the quasi-governmental and private sectors, for the activities of CIHI that require national direction. Members of CIHI's Board serve as a national coordinating council for health information in Canada and in so doing fulfill four key roles—stewardship, advisory, fiduciary and monitoring.

More specifically, the key Board responsibilities have been identified as the following:

- **The stewardship role involves**
 - Providing leadership in articulating and communicating a broad national vision for health information;
 - Identifying the roles of CIHI and Statistics Canada's Health Statistics Division (HSD) in achieving that vision;
 - Enunciating strategic directions/plans for CIHI and setting priorities for achievement;
 - Suggesting health information priorities for HSD;
 - Requesting and approving policy proposals/positions; and
 - Providing oversight of CIHI's Pension Plan.
- **The advisory role involves**
 - Advising the Conference of Deputy Ministers and its advisory committees on health information matters;
 - Keeping individual deputy ministers and selected stakeholders informed about CIHI/HSD matters;
 - Advising on how to promote the effective use of health information in policy-making and decision-making while highlighting CIHI's and HSD's contribution; and
 - Enhancing the organization's public image.
- **The fiduciary role involves**
 - Ensuring effective financial planning;
 - Ensuring adequate resources (including new monies) to accomplish CIHI's mandate; and
 - Appointing a public accountant and reviewing/approving the public accountant's report for CIHI operations and CIHI's Pension Plan.
- **The monitoring role involves**
 - Monitoring the organization's programs and services for progress and results;
 - Reviewing the performance of the President and CEO; and
 - Assessing the performance of the Board.

Officers of the Corporation

The NFP Act defines an “officer” as an “individual appointed as an officer under section 142, the chairperson of the board of directors, the president, a vice-president, the secretary, the treasurer, the comptroller, the general counsel, the general manager or a managing director of a corporation, or any other individual who performs functions for a corporation similar to those normally performed by an individual occupying any of those offices.” In accordance with the act, CIHI has identified nine officers of the corporation: the Chair, the Vice Chair, the President and CEO/Secretary, the Vice President (Corporate Services), the Vice President (Programs), the Vice President (Research and Analysis), the Chief Technology Officer, the Director of Finance and the General Counsel.

Chair

The Chair presides over all meetings of the Board, the Human Resources Committee and the annual general meeting. The Chair works cooperatively with the President and CEO and provides leadership to the Board. The Chair also serves as a representative of the organization to both internal and external constituencies and is an important member of the organization’s leadership team. The Chair is responsible for serving as an advisor to the President and CEO and facilitating Board meetings. The Chair signs all documents requiring his or her signature and performs other powers and duties from time to time as prescribed by the Board to the office. Please see Appendix B for a description of the position of Board Chair.

Vice Chair

During the absence of or inability to act as the Chair, the duties and powers of the Chair may be exercised by the Vice Chair. If the Vice Chair does take the place of the Chair, the absence of or inability to act as the Chair will be referenced. The Vice Chair will also perform other duties from time to time as prescribed by the Board to the office. Please see Appendix B for a description of the position of Board Vice Chair.

President and CEO

The President and CEO is appointed by the Board and is accountable for implementing the policy decisions of the Board. The President and CEO attends to the directions of the Board by working with senior CIHI staff in planning, organizing, coordinating and controlling the activities of employees to achieve the policy objectives of the Board.

The President and CEO is accountable to the entire Board. The accountability of the President and CEO vis-à-vis the Board is assessed against explicit Board policies.

All Board authority that is delegated to CIHI staff flows through the President and CEO so that all authority and accountability of CIHI staff rest with the President and CEO. The President and CEO establishes performance criteria for CIHI as a whole. The individual performance of the staff remains the prerogative of the President and CEO and his or her subordinates.

The President and CEO will not perform, allow or cause to be performed any act that is unlawful or not in keeping with accepted business and professional ethics, as judged by the prudent person standard.

The President and CEO assists the Board in carrying out its monitoring and evaluation function by communicating, in a timely, accurate and understandable fashion, all relevant information on CIHI's activities.

Secretary

The Secretary performs the tasks and functions normally performed by a secretary as well as such other duties as may from time to time be prescribed by the Board. The Secretary attends all meetings of the Board, acts as its clerk and records all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary gives notice of all meetings of the members and of the Board. The Secretary may delegate his or her duties to other officers or employees to the extent and in such a manner as the Secretary may determine. CIHI's Board has appointed the President and CEO as the Secretary.

Members of Senior Management Appointed as Officers

In accordance with Section 142 of the NFP Act and sections 5.6 and 5.7 of CIHI Bylaw 01-12, the Board and/or the President may appoint such other officers "as considered necessary or advisable for the conduct of the affairs of the Corporation, the terms of office, duties, remuneration and reporting responsibilities of each of whom shall be such as the terms of their engagement call for or the President or Board prescribes."

Individual Responsibilities of Directors and Officers

Directors and officers have a fiduciary responsibility to CIHI. Every director and officer is required to exercise his or her powers and discharge his or her duties by

- Acting honestly and in good faith with a view to the best interests of the corporation; and
- Exercising the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

In addition, directors are expected to

- Attend all Board meetings;
- Act as spokespersons for the organization, serving as representatives of the organization to both internal and external constituencies; and
- Participate in at least one Board committee.

For a detailed description of the position of director, please refer to Board Member Position Description in Appendix B.

Director Succession Planning and Appointment Process

Boards have a duty to address major business risks to which the corporation may be exposed, including the inevitable loss of directors from the Board. Identifying the right director candidates is accomplished through careful consideration and planning. Accordingly, CIHI's Board, through the Governance Committee, develops, regularly reviews and revises Board succession plans and assesses and makes recommendations regarding nominees for election and re-election to the Board.

Succession Planning

The most critical step in Board succession planning is identifying the desirable Board composition and skills mix. A skills inventory table is kept up to date to assist with these discussions.

The basic qualifications for a director are as follows:

- Is a recognized individual knowledgeable about the field of health and/or health information;
- Is in a position of authority to influence opinion leaders/decision-makers;
- Possesses superior leadership and communication skills;
- Has insight to help shape health information directions, policies and programs; and
- Brings visibility to and enhances the profile of the organization.

Other qualifications may be sought in research/economics, government, finance, health professions, population health and privacy to ensure the required oversight can be provided.

Director Appointment Process

The Governance Committee assesses and makes recommendations regarding nominees for election and re-election by the Members of the Corporation. The process normally followed by the Governance Committee to assist with selecting directors is as follows:

Nomination

When a vacancy arises, the Governance Committee seeks to attract the appropriate candidates for director positions. In accordance with CIHI's Bylaw and best practices, individuals are nominated to CIHI's Board as follows:

- Directors or designates from Health Canada and Statistics Canada: The Deputy Minister of Health and the Chief Statistician of Canada, respectively, nominate one or more individuals.
- The five directors nominated by the provincial/territorial governments within the five designated regions: The deputy minister of health for each province/territory nominates one or more individuals.
- The five directors associated with a region but not associated with government within the five designated regions: The Governance Committee solicits names of individuals to be nominated by a non-governmental individual or organization who are qualified to become a director within the designated region.

- The two directors at large who are not associated with government: The Governance Committee solicits names of individuals to be nominated by a non-governmental individual or organization who are qualified to become a director from Canada at large.
- The Board Chair: The Governance Committee solicits names of individuals who are qualified to become the Board Chair according to the Board Chair Position Description (see Appendix B), considering both current Board members and external candidates.

Assessment

Once a slate of nominees has been determined for a vacancy, the Governance Committee meets to consider the candidates. When reviewing the composition and skills mix, Governance Committee members consider the following:

- Whether the Board lacks skills that may prove critical to understanding and managing current and future business operations.
- Whether more than one director should possess skills that are critical to current or future business operations. Such redundancy helps when sustaining the loss of directors.
- The importance of maintaining adequate depth of critical skills; however, candidates should also offer diversity of experience, skills and viewpoints.

Elections

Following its assessment of nominees, the Governance Committee makes a recommendation to the Members of the Corporation to be voted upon at the annual general meeting or at a special meeting of the members, held either electronically or in person.

Terms of Office and Re-Election

A director is eligible for election or designation as a director for two consecutive terms not to exceed, in the aggregate, eight years; thereafter, he or she is not eligible for re-election or re-designation to the same office until a period of 11 months has elapsed from the date of the last service in that office. This limitation can be abrogated to permit a director to serve in the office of Vice Chair and can be additionally abrogated to permit a director who holds the office of Vice Chair to serve in the office of Chair. Furthermore, this limitation does not apply to the directors selected from Health Canada and Statistics Canada.

When a director is eligible for re-election, the Governance Committee determines his or her qualifications and continued interest in serving as a director. The Governance Committee then makes recommendations at the annual general meeting to the Members of the Corporation regarding re-elections.

Meetings

The Board has three scheduled in-person meetings per year, including an extended meeting biennially where strategy and corporate priorities are the principal agenda items (the Board retreat). Special meetings of the Board are convened as required and, in general, take place by teleconference or electronically.

Board Meetings

Board meetings are generally held in March, in Ottawa; in June, in locations across Canada; and in November, in Toronto. Meetings that take place over two days usually begin at 12 noon on the first day and end at 12 noon on the second day. This allows committee meetings to take place the first morning prior to the commencement of the Board meeting. There is also a dinner for Board members and the executive team at the end of the first day. In addition, key regional stakeholders are invited to network with Board members and executives during a reception held at the June meeting.

Annual General Meeting

CIHI holds an electronic annual general meeting (AGM) of its members in July. The business transacted at the AGM includes

- Election/re-election of directors of the Board (if applicable);
- Receipt of the financial statements for CIHI's operations and Pension Plan and the report of the public accountants;
- Appointment of public accountants for CIHI's accounts and approval of remuneration for the public accountants; and
- Other business as may properly be brought before the meeting.

A joint electronic Board meeting is held in conjunction with the electronic AGM. The business transacted at the electronic Board meeting includes

- Election and appointment of additional officers (if any);
- Appointment of the President and CEO; and
- Other business as may properly be brought before the meeting.

Board Retreat

The Board retreat provides a regular forum for the Board's engagement in and discussion of strategic directions and priorities for CIHI. The June Board meeting is lengthened every two years to accommodate the retreat.

Session of Independent Board Members (Meetings Without Management)

At each meeting of the Board, the directors meet without management present. These sessions are typically held for 30 minutes, and participating directors are encouraged to raise and discuss any issues of concern.

Work Plan

The development of annual Board work plans is an important component of effective governance to focus the work of the Board, to clearly articulate the Board's expectations of its own contributions to the achievement of CIHI's strategic directions and to establish benchmarks against which the Board can evaluate its performance.

The Board's work plan is established each June for a four-meeting cycle (that is, from June to June) and is based on the Board's stewardship, advisory, fiduciary and monitoring roles. The Governance Committee develops the Board's work plan and brings it forward to the Board for approval.

Committee work plans are also developed by each committee and are subsets of the Board work plan related to each committee's responsibilities. They are established based on a similar meeting cycle as the Board's work plan.

Agenda Development

An agenda that is aligned with the Board's roles, responsibilities and work plan is developed for each Board meeting. The President and CEO and the Board Chair are responsible for developing meeting agendas and ensuring that they are based on the annual work plan, a careful review of action items resulting from previous meetings and emerging policy items. The President and CEO shares the draft meeting agenda with directors one month prior to Board meetings to request comments and feedback.

Board Committees

Board committees are established to conduct specific activities that contribute to the fulfillment of the Board's or the organization's mandate and to allow the full Board to focus on more strategic matters. The Board committees benefit from the skills and expertise of Board members.

CIHI's Board has four committees:

- The Finance and Audit Committee (FAC);
- The Governance Committee;
- The Human Resources (HR) Committee; and
- The Privacy and Data Protection (PDP) Committee.

Committee Role and Responsibilities

The role of each Board committee is to oversee specific activities of the organization (for example, finance and audit, HR or PDP) as well as activities of the Board (for example, governance practices and recruiting new Board members). Each Board committee has a set of responsibilities that ensures that the full Board can stay focused on matters of strategic importance. Board committee updates are provided to the full Board at each of its meetings, and committee recommendations are brought forward as required. The full Board then undertakes its own deliberation process prior to determining its approval of specific activities.

Committee Chairs and Members

The Governance Committee selects committee chairs and members as new directors are recruited to the Board. The process entails carefully considering the skills/expertise required on each of the committees and matching these to the skills/experience of current Board members. The process also involves ensuring that representation on these committees is balanced among regions and representation types, as well as ensuring a balance in workload among Board members. For committee chairs, the process is the same, in addition to ensuring the members' willingness to undertake the extra work required by committee chairs. Once a Board member is identified as a potential committee member, he or she is approached regarding his or her ability and willingness to become a member/chair of a particular committee.

The Board Chair sits on all committees as an ex officio voting member.

Committee Terms of Reference

Finance and Audit Committee

The FAC assists the Board with making decisions and engaging in oversight that ensures the organization's financial health.

Roles and Responsibilities

- Review and recommend approval of the broad financial policies of CIHI, including the yearly operational plans and budget.
- Review the financial position of CIHI and CIHI's Pension Plan.
- Formulate recommendations on the financial statements, the public accountant's report and the appointment of the forthcoming year's public accountant and the related fees.
- Provide direction and review for CIHI's internal audit program.

Membership

The FAC is composed of not less than three directors.

Frequency of Meetings

The FAC meets at least three times each year, either by conference call or face to face.

Committee Recommendations

Recommendations from the FAC shall be made by at least three members who are present at the meeting. In the event that three members are not present, staff will canvass the entire committee to determine a decision or a recommendation.

Chair

The position of the Chair of the FAC is described in Appendix B.

Governance Committee

The Governance Committee assists the Board in improving its functioning, structure, composition and infrastructure.

Roles and Responsibilities

- Direct and oversee the assessment of the Board and Board committees every other year, review such assessments and make recommendations to the Board regarding ways in which governance performance and contributions can be enhanced.
- Oversee Board member succession planning and assess and make recommendations regarding nominees for election and re-election of the Members of the Corporation.
- Oversee the selection of the Vice Chair and committee chairs and members.
- Provide advice regarding the Board members' orientation and education program, including review of the governance handbook.
- Review, assess and draft policies and decisions regarding governance performance for Board deliberation and action (for example, Remuneration Policy).
- Oversee performance indicators that are reported to the Board.
- Provide advice regarding the biennial Board retreat.
- Develop annual work plans for approval by the Board.
- Perform other tasks related to governance performance as assigned by the Board.

Membership

The Governance Committee is composed of not less than three directors.

Frequency of Meetings

The Governance Committee meets at least once each year, generally prior to the AGM. Other meetings may be required on an ad hoc basis, depending on the frequency and number of elections/re-elections to the Board. These meetings may be held by teleconference or in person, as appropriate.

Committee Recommendations

Recommendations from the Governance Committee shall be made by at least three members who are present at the meeting. In the event that three members are not present, staff will canvass the entire committee to determine the recommendation.

Chair

The position of the Chair of the Governance Committee is described in Appendix B.

Human Resources Committee

The HR Committee assists the Board in discharging its oversight responsibilities relating to compensation policies, executive compensation, senior management succession and other key HR activities.

Roles and Responsibilities

- Oversee CIHI's compensation and benefit policies, including the design of CIHI's Pension Plan.
- Review and approve the President and CEO's annual performance objectives.
- Review the President and CEO's performance and determine his or her compensation.
- Review the succession plan for the President and CEO and senior management.
- Oversee the principles of the recruitment/retention strategy for employees.
- Provide oversight related to occupational health and safety and other key human resources activities.

Membership

The HR Committee is composed of not less than three directors, where the Chair of the Committee is the Board Chair and one committee member is also a member of the FAC.

Frequency of Meetings

The HR Committee meets at least twice each year, with at least one face-to-face meeting just prior to a Board meeting. Other meetings may be required on an ad hoc basis. These meetings may be held by teleconference or in person, as appropriate.

Committee Recommendations

Recommendations from the HR Committee shall be made by at least three members who are present at the meeting. In the event that three members are not present, staff will canvass the entire committee to determine a decision or a recommendation.

Chair

The position of the Chair of the HR Committee is described in Appendix B.

Privacy and Data Protection Committee

The PDP Committee assists the Board with oversight of its privacy and security program.

Roles and Responsibilities

- Review and make recommendations on the direction of the privacy audit program.
- Review the findings of the privacy audit program and formulate recommendations on CIHI's PDP practices based on the findings of the privacy audit program.
- Advise the Board on implications of significant developments in privacy legislation and provide CIHI's position.
- Receive reports of major incidents within CIHI that could be seen as constituting a breach of confidentiality.
- Submit an annual report to CIHI's Board of Directors.

Membership

The PDP Committee is composed of not less than two directors.

Frequency of Meetings

The PDP Committee meets at least two times each year, by conference call or face to face. Other meetings may be required on an ad hoc basis, particularly to handle major incidents, and may be held by teleconference or in person, as appropriate.

Committee Recommendations

Recommendations from the PDP Committee shall be made by at least two members who are present at the meeting. In the event that two members are not present, staff will canvass the entire committee to determine a decision or a recommendation.

Chair

The position of the Chair of the PDP Committee is described in Appendix B.

Board Processes and Policies

Board Evaluation

Assessing Board effectiveness is an important governance responsibility. Every year, the Board completes a self-evaluation, rating the Board overall and, every alternating year, rating the committees, through an anonymous questionnaire based on attributes of a high-performing Board. The compiled results of the Board self-evaluation are used as the basis for discussion and to help the Board determine changes/improvements in its governance processes and policies.

The Board also reviews the effectiveness of its meetings at the conclusion of each meeting. A two-minute evaluation is completed to solicit information on

- The quality of meeting materials and presentations; and
- The relevance of content and length and format of discussion.

Board Education

Orientation of new directors and Board development are important aspects of governance. To facilitate orientation and ongoing education, the following activities are implemented:

Orientation of new directors: As new directors are elected to the Board, they are invited to participate in an orientation session with the President and CEO or his or her delegate. The purpose of the meeting is to get to know one another and to review the organization's operations and the Board's functioning.

Board Portal: The Board Portal, an electronic intranet site, is maintained to facilitate the exchange of information and documentation. Please see Appendix D for instructions on using the Board Portal.

Guest speakers: At each Board meeting, outside experts are invited to present on matters of particular importance or emerging significance and relevance to the health system.

Ad hoc requests for education: Requests from Board directors for education will be considered on a case-by-case basis by the Board Chair in consultation with the President and CEO.

Board Policies

An effective Board develops the policies, processes and procedures necessary to carry out its responsibilities. This sets the foundation for good corporate governance and sound risk management.

Three policies and one code apply to CIHI's Board of Directors:

- Conflict of Interest Policy;
- Travel Expense Policy;
- Remuneration Policy; and
- Code of Business Conduct.

The policies are included in Appendix C, and the code of conduct is provided to new directors during their orientation to the Board.

Declaration of Conflicts

In order to facilitate the disclosure of conflicts, the CIHI Board has a practice of declaring conflicts at the beginning of meetings. A standing item is added to the beginning of Board and committee meeting agendas allowing Board members the opportunity to declare their conflicts prior to any discussion. If a conflict does arise, the Board member steps out of the meeting room or leaves a teleconference during the discussion of the agenda item in question and subsequently rejoins the meeting following the discussion.

Indemnities to Directors and Directors and Officers Insurance

Directors face a range of legal exposures in respect of their association with and fiduciary duty to a corporation. Directors can reduce their risk by performing their duties competently and honestly, but they may inadvertently be negligent. CIHI's Bylaw (see Appendix A) provides details regarding indemnities to directors and officers.

In 2006, CIHI asked its external legal counsel to conduct a review of the liabilities of its directors to determine what processes are or should be in place to mitigate any potential risks. Directors can be personally liable for their actions in relation to CIHI in one of three ways:

1. For breaching their common-law duties as directors (for example, duty of loyalty);
2. For failing to adhere to the statutes that impose personal liability on directors (for example, the *Income Tax Act*, *Canada Pension Plan* or *Employer Health Tax Act*); and
3. For liability in tort for civil wrongs (for example, through vicarious liability, the corporation may be liable for the actions of its employees).

Based on this review and in discussion with the FAC, CIHI developed a Management Certification Report on Statutory Remittances to the FAC and Board. A second Management Certification Report Regarding Occupational Health and Safety was later developed and is reviewed with the HR Committee and Board.

D and O Insurance

CIHI has a program of insurance that includes coverage for directors' and officers' liability, which is part of an overall insurance package for the corporation. The insurance is renewed annually. CIHI's overall insurance program was reviewed with the FAC in 2008.

President and CEO Performance and Succession Planning

One of the Board's key responsibilities is the selection of the President and CEO. Once this person is in place, the Board is responsible for setting his or her performance objectives for the year and periodically reviewing these objectives, compensation and succession plans.

Evaluation of President and CEO Performance

The President and CEO, in consultation with the HR Committee and the Board, establishes goals and objectives each year. The HR Committee annually reviews the President and CEO's performance in light of these previously established goals and objectives. The HR Committee also annually reviews the President and CEO's compensation and, together with the entire Board, approves such compensation. These activities typically take place in March, prior to the upcoming fiscal year.

Succession Planning

A key responsibility of the Board is to ensure the long-term successful performance of the organization. One major component for successful performance is an identified succession plan for the President and CEO. Planning for succession requires an annual assessment of an organization's key staffing requirements based on its long-term strategic and business goals. The Board is responsible for ensuring that a succession plan is in place, both for the President and CEO and for other key executive-level positions. Regular reviews are made to the HR Committee and to the Board.

Appendix A: CIHI Bylaw

BY-LAW NUMBER 01-12

A by-law relating generally
to the conduct of the affairs of
CANADIAN INSTITUTE FOR HEALTH INFORMATION
INSTITUT CANADIEN D'INFORMATION SUR LA SANTÉ

BE IT ENACTED as a by-law of

CANADIAN INSTITUTE FOR HEALTH INFORMATION
INSTITUT CANADIEN D'INFORMATION SUR LA SANTÉ

as follows:

1. **INTERPRETATION**

1.1 **Definitions**

Defined terms appearing in this by-law and which are not defined below shall have the meaning ascribed thereto in the body of this by-law. In this by-law and the schedules hereto and all other by-laws and resolutions of the Corporation unless the context otherwise requires:

- 1.1.1 the singular includes the plural;
- 1.1.2 the masculine gender includes the feminine;
- 1.1.3 “Board” means the Board of Directors of the Corporation;
- 1.1.4 “Act” means the Canada Not-for-profit Corporations Act, SC 2009, c23, as amended, and any statute enacted in substitution therefore from time to time;
- 1.1.5 “Chair” means the Chair of the Board;
- 1.1.6 “Corporation” means

CANADIAN INSTITUTE FOR HEALTH INFORMATION
INSTITUT CANADIEN D'INFORMATION SUR LA SANTÉ
- 1.1.7 “Directors” means the persons who become directors of the Corporation in accordance with these by-laws;
- 1.1.8 “Documents” includes deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings;

- 1.1.9 “Government Representatives” means the Deputy Ministers of Health, or their designate, for each of the Federal, Provincial and Territorial Governments as well as the Chief Statistician of Canada or his/her designate;
- 1.1.10 “Members” means the members of the Corporation as determined in accordance with Section 9.1;
- 1.1.11 “Regions” or a “Region” means the following geographic/political areas of Canada:
- (i) British Columbia and Yukon Territory,
 - (ii) Alberta, Saskatchewan, Manitoba, Northwest Territories and Nunavut,
 - (iii) Ontario,
 - (iv) Quebec, and
 - (v) New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador;

or such other grouping or designations as may be determined from time to time by Special Resolution; and

- 1.1.12 “Special Resolution” means a resolution passed by at least two-thirds of the votes cast at a meeting of the Directors of the Corporation duly called for that purpose and confirmed with or without variation by at least two-thirds of the votes cast at a meeting of the Members of the Corporation duly called for that purpose.

1.2 **Statutory Terms**

Unless otherwise defined herein, all terms defined in the Act have the same meanings in this by-law and all other by-laws and resolutions of the Corporation.

2. **OFFICES**

2.1 **Registered Office**

The place of the registered office of the Corporation shall be in the City of Ottawa, in the Province of Ontario, and at such location therein as the Board may from time to time determine by resolution.

2.2. **Other Offices**

The Corporation may establish such other offices, (including without limitation post office boxes for the purpose of receipt of mail) elsewhere in Canada as the Board may from time to time determine by resolution.

3. **SEAL**

3.1 **Form of Seal**

The Corporation may have a corporate seal in the form approved from time to time by the Board.

4. **DIRECTORS**

4.1 **Board of Directors**

The affairs of the Corporation shall be managed by a Board composed of not less than fifteen (15) and not more than eighteen (18) Directors, the number of which is to be fixed by a Special Resolution.

4.2 **Qualifications**

Each Director shall be an individual, at least eighteen (18) years of age, shall not have the status of a bankrupt and shall not have been declared incapable by a court in Canada or in another country. If a person being a Director:

- 4.2.1 resigns from office by delivering a written resignation to the Secretary of the Corporation;
- 4.2.2 dies;
- 4.2.3 is declared incapable by a court in Canada or in another country;
- 4.2.4 makes an assignment for the benefit of creditors, becomes bankrupt or insolvent, or becoming bankrupt or insolvent, takes the benefit of any legislation that may be in force for bankrupt or insolvent debtors; or
- 4.2.5 is removed pursuant to Section 4.4;

such person thereupon ceases to be a Director.

4.3 **Vacancies on the Board**

In the event that a vacancy occurs on the Board:

- 4.3.1 the remaining Directors provided there is a quorum, may fill any vacancy on the Board (other than a vacancy resulting from an increase in the number of the minimum or maximum number of Directors provided for in the articles), by way of electronic ballot in accordance with a procedure to be determined by the Secretary of the Corporation, or at the discretion of the remaining Directors, or where a vacancy results from an increase in the number of the minimum or maximum number of Directors provided for in the articles, call a meeting of Members for the purpose of filling the vacancy on the Board in accordance with Section 6.3;
- 4.3.2 a Director appointed or elected to fill a vacancy holds office for the unexpired term of their predecessor; and

4.3.3 during the period of time commencing on the occurrence of the vacancy on the Board until the election of the replacement Director, the Directors remaining in office may exercise all of the powers of the Board provided that a quorum of Directors is elected or remains in office as the case may be.

4.4 **Removal of Directors**

The Members entitled to vote may, by resolution passed by a majority of the votes cast at a meeting of which notice specifying the intention to pass the resolution has been given, remove any Director before the expiration of the term of office of such Director, and in any such case, the vacancy so created shall be filled in the manner prescribed for filling vacancies in the office of Directors. Without limiting in any way the discretion of Members or Directors, in bringing a resolution to the Members for the removal of a Director, the failure of a Director to attend two successive meetings of Directors may result in a resolution for removal of such Director being initiated.

4.5 **Quorum**

A quorum for the transaction of business at meetings of the Board shall be the smallest whole number that is not less than two-fifths (2/5) of the number of Directors.

4.6 **Meetings of the Board**

Meetings of the Board and of committees of the Board (including the Executive Committee, if any) may be held at any place within Canada as designated in the notice calling the meeting. Directors' meetings may be called by: (i) the Chair, or (ii) the Secretary upon the written requisition of not less than one-third (1/3) of the total number of Directors.

4.6.1 Provided however that if all the Directors of the Corporation, or of the committee of the Board (as the case requires) consent thereto generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or of a committee of the Board by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to communicate with each other, and a Director participating in such a meeting by such means is deemed to be present at the meeting. The Secretary shall ensure each particular meeting is handled in a secure fashion. Quorum shall be established by the Secretary at the beginning of each particular meeting by verbal roll call, where appropriate, or by such other reasonable measures as determined by the Secretary to accurately confirm attendance by the Directors at the meeting. Each vote cast by a Director participating by telephone or other electronic means shall be recorded in the minutes by the Secretary.

4.7 **Notice**

Subject to the provisions of Section 4.8, notice of meetings of Directors or of committees of the Board (including the Executive Committee, if any) shall be given by facsimile or other electronic transmission, or delivered or mailed to each Director as follows:

- 4.7.1 in the case of written notice delivered other than by mail, not less than 24 hours prior to the commencement of the meeting; and
- 4.7.2 in the case of mailed notice, not less than five (5) days before the meeting is to take place.

The statutory declaration of the Secretary or Chair that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The notice shall specify if any of the following matters are to be dealt with at the meeting: (a) the submission to the Members of any question or matter requiring the approval of Members; (b) the filling of a vacancy among the Directors or in the office of public accountant or the appointment of additional Directors; (c) the issuance of debt obligations except as authorized by the Directors; (d) the approval of any financial statements; (e) the adoption, amendment or repeal of any by-laws; or (f) the establishment of contributions to be made, or dues to be paid, by Members.

4.8 **Regular Meetings**

The Board may appoint one or more days in each year for regular meetings of the Board at a place and time named; no further notice of the regular meetings need be given. The Board shall hold a meeting within seven (7) days following the Annual Meeting of the Corporation for the purpose of organization, the election and appointment of additional officers (if any) and the transaction of any other business.

4.9 **Voting**

Questions arising at any meeting of the Board shall be decided by a majority vote. Any motion on which there is an equality of votes is lost. A declaration by the Chair that a resolution has been carried and an entry to that effect in the minutes is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

4.10 **Remuneration of Directors**

The Directors of the Corporation that are not CIHI employees shall be paid such remuneration as may be decided from time to time by resolution of the Board; provided however that nothing in this Section 4.10 shall prohibit a Director from receiving:

- 4.10.1 reimbursement for the reasonable expenses of such Director in connection with that person's services to the Corporation as a Director or as a member of a committee; and
- 4.10.2 reasonable remuneration and expenses for the services of that person to the Corporation in any other capacity.

4.11 **Indemnities to Directors and Others**

- 4.11.1 Subject to the Act, the Corporation will indemnify a Director or officer, a former Director or officer, or another individual who acts or acted at the Corporation's request as a Director or officer, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal, administrative, investigative or other proceeding to which he or she is involved because of his or her association with the Corporation if:
- (a) he or she acted honestly and in good faith with a view to the best interests of the Corporation; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

The Corporation will also indemnify the persons listed in Section 4.11.1 in any other circumstances that the Act permits or requires.

- 4.11.2 The right to indemnity provided in Section 4.11.1 will include the right to the advance of moneys from the Corporation for the costs, charges and expenses of a proceeding referred to above, which moneys must be repaid if the individual to whom they were advanced has not fulfilled the conditions set out in paragraphs (a) and (b) above.
- 4.11.3 The Directors of the Corporation who vote for or consent to a resolution authorizing the payment of an indemnity contrary to the Act are jointly and severally, or solidarily, liable to restore to the Corporation any money or property so paid or distributed and not otherwise recovered by the Corporation.
- 4.11.4 The Corporation may purchase and maintain insurance for the benefit of any person referred to in Section 4.11.1 against any liabilities and in any amounts as the Board may determine.

4.12 **Protection of Directors and Officers**

Except as provided in the Act, no person referred to in Section 4.11.1 will be liable for any loss, cost, damage, expense or other misfortune incurred or suffered by the Corporation unless it results through his or her failure, when exercising the powers and discharging the duties of his or her office, to act honestly and in good faith with a view to the best interests of the Corporation, or to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

4.13 **Powers and Duties of Directors**

The Board shall manage or supervise the management of the Corporation, and make or cause to be made for the Corporation, any description of contract that the Corporation may, by law, enter into; and may delegate such powers to the officers to such extent and in such manner as the Board may, by resolution, determine.

5. **OFFICERS**

5.1 **Board Appoint President**

In addition to the elected officers, the Board shall annually, or as often as may be required, appoint a president (the “President”). The Board may appoint other officers and agents as it considers necessary and all officers shall have the authority and perform the duties from time to time prescribed by the Board. The Board may also remove at its pleasure any officer of the Corporation appointed by the Board

5.2 **Chair**

The Chair shall be elected from among the Directors of the Corporation. The Chair, when present, shall preside at all meetings of the Board, the Executive Committee, if any, and Members. The Chair shall sign all Documents requiring his signature and have the other powers and duties from time to time prescribed by the Board or incident to his office.

5.3 **Vice-Chair**

The Vice-Chair (or Vice-Chairs if applicable), shall be elected from among the Directors of the Corporation. During the absence or inability of the Chair to act, the duties and powers of the Chair may be exercised by the vice-chair (the “Vice-Chair”), or if there is more than one, by the Vice-Chairs in order of seniority (as determined by the Board). If a Vice-Chair exercises any of those duties or powers, the absence or inability of the Chair to act shall be presumed with reference thereto. A Vice-Chair shall also perform the other duties from time to time prescribed by the Board or incident to the office.

5.4 **President**

The President shall be the chief executive officer of the Corporation and, subject to the directions of the Board, shall:

- 5.4.1 supervise the affairs and operations of the Corporation;
- 5.4.2 be *ex officio* the non-voting clerk of the Corporation and the Board;
- 5.4.3 personally or by delegate attend all meetings of the Members, the Board, the Executive Committee, if any, and any other committees of the Board as required by the Directors, but excluding the portions of any such meetings in which the topic for consideration concerns salary and benefits to be paid to, or the performance or the disciplining of the President, and, the President shall record, or cause to be recorded, all facts and minutes of those proceedings in the books of the Corporation kept for that purpose;
- 5.4.4 give all notices required to be given to Members and to Directors;
- 5.4.5 be the custodian of the corporate seal of the Corporation, if any, and of all books, papers, records, correspondence and Documents belonging to the Corporation;

- 5.4.6 sign Documents issued by the Corporation;
- 5.4.7 delegate such duties to other officers or employees of the Corporation to the extent and in such manner as the President may determine; and
- 5.4.8 perform the other duties from time to time prescribed by the Board or incident to his office.

5.5 **Secretary**

The Secretary of the Corporation (the “Secretary”) shall perform the tasks and functions normally performed by a secretary as well as such other duties as may from time to time be prescribed by the Board. The Secretary shall attend all meetings of the Board and act as clerk thereof and record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members and of the Board, and shall perform such other duties as may be specified by the Board. The Secretary may delegate his or her duties to other officers or employees of the Corporation to the extent and in such manner as the Secretary may determine.

5.6 **Board Appoint Other Officers**

The Board may from time to time appoint such other officers as it considers expedient, to hold office at the pleasure of the Board, the duties and remuneration of whom shall be such as the terms of their engagement call for or the Board prescribes.

5.7 **President Appoint Other Officers**

Subject to the guidelines (if any) and the budget approved by the Board, the President may from time to time appoint such other officers as the President considers necessary or advisable for the conduct of the affairs of the Corporation, the terms of office, duties, remuneration and reporting responsibilities of each of whom shall be such as the terms of their engagement call for or the President prescribes.

6. **NOMINATION AND ELECTION OF DIRECTORS AND OFFICERS**

6.1 **Nomination of Directors**

At each annual meeting of Members, a slate of Director nominees shall be presented by the Governance Committee (as defined in section 8.1 below). The Governance Committee shall create the slate with a view to ensuring that the Board at all times includes:

- 6.1.1 one (1) Director selected from a list of names provided by Health Canada,
- 6.1.2 one (1) Director selected from a list of names provided by Statistics Canada,

- 6.1.3 ten (10) Directors selected as follows:
- (a) five (5) Directors selected from a list of names provided by the Government Representatives, and
 - (b) five (5) Directors selected by the Governance Committee, each being associated in some manner with a Region, as determined by the Governance Committee,
- provided that each Region shall be represented by two (2) Directors,
- 6.1.4 two (2) Directors at large as determined by the Governance Committee and who shall be drawn from the non-government sector, and
- 6.1.5 one (1) Director at large, being unrestricted as to either government or non-government, as determined by the Governance Committee and who, after election, shall act as the Chair of the Board; at least two of the foregoing (6.1.1 through 6.1.5) must not be officers or employees of the Corporation or its affiliates.

6.2 **Nomination Process**

The slate of Directors shall be established by the Governance Committee in accordance with the following process:

- 6.2.1 As to the Directors referred to in Sections 6.1.1 and 6.1.2, the Governance Committee shall solicit from the Deputy Minister of Health and the Chief Statistician for Canada, respectively, one (1) or more individuals. In the event that the Deputy Minister of Health and/or the Chief Statistician for Canada fail to provide the names of one (1) or more individuals, the Governance Committee shall, in its discretion, select the required number of individuals for purposes of Sections 6.1.1 and/or 6.1.2.
- 6.2.2 As to the Directors referred to in Section 6.1.3(a), the Deputy Minister of Health for each of the Provinces and Territories shall nominate one (1) or more individuals and such name or names shall be provided to the Governance Committee. In the event that the Deputy Minister of Health for any of the Provinces and Territories fails to provide the names of one (1) or more individuals as required, the Governance Committee shall, in its discretion, nominate the required number of individuals for purposes of Section 6.1.3(a).
- 6.2.3 As to the Directors to be selected pursuant to Sections 6.1.3(b), 6.1.4, and 6.1.5, the Governance Committee shall solicit names of individuals who may be appropriate for such positions.
- 6.2.4 The Governance Committee shall, put forward a slate of nominees, in accordance with Section 6.3.1 who reasonably meet the criteria established in these by-laws and such individuals shall be presented to the Members for election in accordance with Section 6.3 of these by-laws.
- 6.2.5 The time and date by which notices and delivery of names is to be required shall be determined by the Governance Committee.

6.2.6 The Governance Committee shall present the slate to the Board at least twenty-four (24) hours before the ensuing annual meeting of Members for inclusion by the Board in the notice of that meeting. For greater certainty, the slate to be delivered to the Board hereunder shall be final and there shall be no nominations from the floor of any Members meetings.

6.3 **Election of Directors and Term**

Subject to the provisions of the Act, Directors shall be elected by the Members at the Corporation's annual meeting of Members for terms of office in accordance with the following:

6.3.1 In each year, (or in the case of the election of a replacement Director pursuant to Section 4.3 at the meeting called for such purpose) that number of Directors which is equal to the number of Directors whose terms have expired, or will expire in that year, or who have resigned or been removed from office, shall be elected for a term of three (3) years or until their successors are elected or appointed.

6.4 **Re-Election and Re-Designation**

A Director, if otherwise qualified, is eligible for election or designation as a Director for two (2) consecutive terms not to exceed, in the aggregate, eight (8) years, and thereafter is not eligible for re-election or re-designation to the same office until a period of eleven (11) months has elapsed from the date of the last service in that office.

6.4.1 Provided however that such limitation shall be abrogated to the extent necessary to permit a Director, if elected to the office of Vice-Chair, to serve in the office of Vice-Chair.

6.4.2 Provided further that such limitation shall be additionally abrogated to the extent necessary to permit a Director who holds the office of Vice-Chair, if elected to the office of Chair, to serve in the office of Chair.

6.4.3 Provided further that such limitation shall in no way apply to the Directors put forward to the Governance Committee by Health Canada and Statistics Canada pursuant to Sections 6.1.1 and 6.1.2.

6.4.4 Provided further that if a Director is appointed or elected to fill a vacancy under section 4.3, the unexpired term of such Director's predecessor will not count towards the maximum aggregate term for such Director as specified above in this section 6.4.

6.5 **Method of Election**

In addition to the requirements of Sections 6.2.4, 6.2.5, and 6.2.6, Directors of the Corporation who are to be elected shall be elected in accordance with the following procedure:

- 6.5.1 the election of Directors shall be by a verbal count, by a show of hands or by an electronic ballot sent via e-mail to the Secretary of the Corporation, or as otherwise determined by the Board, unless any Member requests a ballot in which case the election shall be by ballot.

6.6 **Forms**

The Board may prescribe the form of nomination paper, the form of ballot (electronic or otherwise) and the method for submitting electronic ballots by email.

7. **EXECUTIVE COMMITTEE**

7.1 **Composition**

The Board, may from time to time elect from among its number an executive committee (the “Executive Committee”) consisting of not less than four (4) and not more than seven (7) Directors, the exact number to be fixed by resolution of the Board, and of which the Chair shall be a non-voting member except in the case of a tie vote in which case the Chair shall cast the deciding vote. Other than the Chair, each member of the Executive Committee shall serve during the pleasure of the Board and, in any event, only so long as the person shall be a Director. The Board may fill vacancies in the Executive Committee by election from among the Directors. If and whenever a vacancy shall exist in the Executive Committee, the remaining members of such committee may exercise all its power so long as a quorum remains.

7.2 **Powers**

During the intervals between the meetings of the Board, the Executive Committee shall possess and may exercise (subject to any regulations which the Board may from time to time impose and subject to the Act) all the powers of the Board in the management and direction of the affairs and business of the Corporation (save and except only such acts as must by law be performed by the Board itself) in such manner as the Executive Committee shall deem best for the interest of the Corporation in all cases in which specific directions shall not have been given by the Board. No business may be transacted by the Executive Committee except at a meeting of its members at which a quorum of the Executive Committee is present.

7.3 **Procedures**

Subject to the provisions of Article 4, Section 7.4 and 7.5, and to any regulations made from time to time by the Board, the Executive Committee:

7.3.1 may appoint one or more days in each year for regular meetings of the Executive Committee at a place and time named, and no further notice of such meetings need be given; and

7.3.2 may fix its own rules of procedure from time to time.

7.4 **Quorum**

The quorum of the Executive Committee shall be fixed at the smallest whole number that is not less than a majority of its members.

7.5 **Minutes of Executive Committee Meetings**

The Executive Committee shall keep minutes of its meetings in which shall be recorded all action taken by it, and at least a summary thereof shall be submitted to the Board at least annually.

8. **OTHER COMMITTEES**

8.1 **Governance Committee**

There shall be a committee composed of not less than three (3) persons, as selected by the Board, responsible for establishing the slate of candidates for election as directors (the "Governance Committee") and such committee shall exercise the powers and duties as determined from time to time by the Board and in accordance with these by-laws.

8.2 **Other Committees**

There may be such other committees and with such duties as the Board may establish from time to time.

8.3 **Regulations Respecting Committees**

With respect to the Governance Committee and other committees, and except as otherwise provided in this by-law:

8.3.1 the chair of each committee must be a Director;

8.3.2 other members of the committee may, but need not be, Directors;

8.3.3 members of the committee shall be appointed, and may be removed, by the Board;

8.3.4 each committee shall report and be responsible to the Board, and at the direction of the Board, to the Executive Committee, if any; and

8.3.5 each committee shall have the power to appoint one (1) or more subcommittees.

9. **MEMBERS**

9.1 **Membership**

9.1.1 The Members of the Corporation shall be those individuals elected as Directors in accordance with these by-laws.

9.1.2 At all times the Members of the Corporation shall be Directors and the Directors shall be Members.

9.2 **Termination of Membership**

A membership in the Corporation is not transferable and automatically terminates if the Member resigns or dies.

9.3 **Liability of Members**

Members shall not, as such, be held answerable or responsible for any act, default, obligation or liability of the Corporation or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Corporation.

9.4 **Annual Meeting of Members**

The annual meeting of the Members (the "Annual Meeting") shall be held within six (6) months after each fiscal year end (or, subject to the requirements of the Act, at such time as the Board shall specify), at the registered office of the Corporation or such other place in Canada as may be determined by the Board, and at a time and date determined by the Board, for the purpose of:

9.4.1 hearing and receiving the reports and statements required by the Act to be read at and laid before the Corporation at an Annual Meeting;

9.4.2 electing Directors;

9.4.3 appointing the public accountant and fixing or authorizing the Board to fix the remuneration of the public accountant; and

9.4.4 for the transaction of any other business properly brought before the meeting.

9.5 **Special General Meeting of Members**

The Board may at any time call a special general meeting of Members for the transaction of any business, the general nature of which is specified in the notice calling the meeting. A special general meeting of Members shall also be called by the Directors upon receipt of written notice from not less than three (3) Members entitled to vote.

9.6 **Notice of Meetings of Members**

9.6.1 Notice of the time, place and date of meetings of Members and the general nature of the business to be transacted, including any proposed by-law amendment, shall be given not less than twenty-one (21) nor more than sixty (60) days before the date of the meeting to each Member and to the public accountant of the Corporation by the following means:

9.6.1.1 by mail, courier or personal delivery to each Member to the last address of the Member shown on the Corporation's records; or

9.6.1.2 by telephonic, electronic or other communications facility to each Member.

9.6.2 Provided however that a meeting of Members may be held at any time and place without notice if all of the Members entitled to vote thereat are present in person or represented by proxy or waive notice of or otherwise consent to such meeting being held.

9.6.3 Provided further that in the case of notice of a special general meeting of Members, the notice shall contain sufficient information as to the nature of the business to be transacted to allow a Member to make a reasoned decision with respect thereto.

9.6.4 Provided further that every notice of meeting of Members shall be accompanied by either the form of proxy approved by the Directors if any, or a copy of Section 9.7 to remind the Members of the right to use a proxy.

9.7 **Proxies**

Every Member, including a corporate Member, entitled to vote at meetings of Members may by means of a proxy appoint a person who need not be a Member as his nominee, to attend and act at the meeting in the manner, to the extent and with the power conferred by the proxy. A proxy shall be in writing, shall be executed by the Member entitled to vote or his attorney authorized in writing, or, if the Member is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized, and ceases to be valid one year from its date. Subject to the requirements of the Act, a proxy may be in such form as the Board from time to time prescribes or in such other form as the Chair of the meeting may accept as sufficient, and shall be deposited with the Secretary of the meeting before any vote is called under its authority, or at such earlier time and in such manner as the Board may prescribe.

9.8 **Quorum**

Three (3) persons present in person or represented by proxy constitute a quorum at any meeting of Members. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of such business.

9.9 **Chair**

In the absence of the Chair and every Vice-Chair, the Members present at any meeting of Members shall choose another MEMBER as chair.

9.10 **Voting by Members**

Unless the Act, or the by-laws otherwise provide, all questions proposed for consideration at a meeting of Members shall be determined by a majority of the votes cast by the Members only, each of whom shall be entitled to one (1) vote.

9.11 **Method of Voting**

At all meetings of Members every question shall be decided by a verbal count, a show of hands or by an electronic ballot sent by email to the Secretary, or such other means as may be specified by the Board, unless a poll is required by the chair of the meeting or requested by any Member. Every Member present in person or by proxy shall have one vote. Whenever a vote has been taken upon a question, unless a poll is requested, a declaration by the chair of the meeting that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the Corporation is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

9.12 **Polls**

If at any meeting a poll is requested on the election of a chair or on the question of adjournment, it must be taken forthwith without adjournment. If a poll is requested on any other question, it shall be taken in the manner and either at once or later at the meeting or after adjournment as the chair directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a poll may be withdrawn at any time prior to the taking of the poll.

9.13 **Adjournments**

Any meeting of the Corporation may be adjourned to any time and from time to time, and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place. No notice is required of any adjourned meeting.

9.14 **Written Resolutions**

Subject to the requirements of the Act, a resolution in writing, signed by all of the Members entitled to vote on that resolution at a meeting of Members, is as valid as if it has been passed at a properly constituted meeting of Members.

9.15 **Electronic Participation**

If all Members entitled to vote consent thereto in advance, generally or in respect of a particular meeting, and all Members have equal access, a Member may participate in a meeting of Members by means of such conference telephone or other communications facilities as permit all persons participating in the meeting to communicate with one another, and a Member participating in such a meeting

by such means is deemed to be present at the meeting. The Secretary shall ensure each particular meeting is handled in a secure fashion. Quorum shall be established by the Secretary at the beginning of each particular meeting by verbal roll call, where appropriate, or by such other reasonable measures as determined by the Secretary to accurately confirm attendance of the Members at the meeting. Each vote cast by a Member participating by telephone or other electronic means shall be recorded in the minutes by the Secretary.

10. **EXECUTION OF DOCUMENTS**

10.1 **Signature on Cheques, Drafts, Notes, Etc.**

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by the officer or officers or person or persons and in the manner from time to time prescribed by the Board.

10.2 **Execution of Documents**

Documents requiring execution by the Corporation may be signed by any one of the Chair or a Vice-Chair or the President or by any two (2) Directors, and all Documents so signed are binding upon the Corporation without any further authorization or formality. The Board may from time to time appoint any officer or officers or any person or persons on behalf of the Corporation, either to sign Documents generally or to sign specific Documents. The corporate seal of the Corporation, if any, may be affixed to Documents executed in accordance with the foregoing.

10.3 **Books and Records**

The Board shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute are regularly and properly kept.

11. **BANKING ARRANGEMENTS**

11.1 **Banking Resolution**

The Board shall designate, by resolution, the officers and other persons authorized to transact the banking business of the Corporation, or any part thereof, with the bank, trust company, or other corporation carrying on a banking business that the Board has designated as the Corporation's banker, to have the authority set out in the resolution, including, unless otherwise restricted, the power to;

11.1.1 operate the Corporation's accounts with the banker;

11.1.2 make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;

11.1.3 issue receipts for and orders relating to any property of the Corporation;

11.1.4 execute any agreement relating to any banking business and defining the rights and powers of the parties thereto; and

- 11.1.5 authorize any officer of the banker to do any act or thing on the Corporation`s behalf to facilitate the banking business.

12. **BORROWING BY THE CORPORATION**

12.1 **General Borrowing Authority**

Subject to the limitations set out in the by-laws or in the articles of the Corporation, the Board may:

- 12.1.1 borrow money upon the credit of the Corporation;
- 12.1.2 limit or increase the amount to be borrowed;
- 12.1.3 issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
- 12.1.4 give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- 12.1.5 mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

12.2 **Specific Borrowing Authority**

From time to time the Board may authorize any Director or officer of the Corporation to make arrangements with reference to the money so borrowed or to be borrowed and as to the terms and conditions of the loan thereof, and as to the security to be given therefor, with power to vary or modify such arrangements, terms and conditions and to give such additional security as the Board may authorize, and generally to manage, transact and settle the borrowing of money by the Corporation.

13. **FINANCIAL YEAR**

13.1 **Fiscal Year End**

The financial year of the Corporation shall terminate on the last day of March in each year or on such other date as the Board may from time to time by resolution determine.

14. **NOTICE**

14.1 **Computation of Time**

In computing the date when notice must be given under any provision of the by-laws requiring a specified number of days' notice of any meeting or other event, the date of giving the notice is, unless otherwise provided, included.

14.2 **Waiver of Notice**

Any person who is entitled to receive notice of a meeting of Members may waive notice, and attendance of the person at the meeting is a waiver of notice of the meeting, unless the person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

15. **PUBLIC ACCOUNTANT**

15.1 **Annual Appointment**

The Members of the Corporation at each Annual Meeting shall appoint a public accountant (which shall not be a Director, officer, employee or business partner of the Corporation), to audit the accounts (including the financial statements) of the Corporation and to report thereon to Members at the Annual Meeting, to hold office until the close of the next Annual Meeting, and, if an appointment is not so made, the public accountant in office continues in office until a successor is appointed.

15.2 **Notice of Intention to Nominate**

A person, other than a retiring public accountant, is not capable of being appointed public accountant at an Annual Meeting unless notice in writing of an intention to nominate that person to the office of public accountant has been given by a Member not less than twenty-one (21) days before the Annual Meeting; and the Member shall send a copy of any such notice to the retiring public accountant and to the person it is intended to nominate, and shall give notice thereof to the Members, either by advertisement or by notice in the manner set out in Section 9.6, not less than seven (7) days before the annual meeting.

15.3 **Vacancy in the Office of Public Accountant**

The Board may fill any casual vacancy in the office of public accountant to hold office for the unexpired term of the public accountant's predecessor.

15.4 **Removal of Public Accountant**

Subject to the Act, the Members, by a resolution may remove any public accountant before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another public accountant in his stead for the remainder of his term.

15.5 **Remuneration of Public Accountant**

The remuneration of the public accountant may be fixed by ordinary resolution of the Members or, if not so fixed, shall be fixed by the Board.

16. **AMENDMENT OF BY-LAWS**

16.1 **Requirements for Amendment of By-laws**

By-laws of the Corporation may be repealed, amended, altered or added to by resolution enacted by a majority of the Board at a meeting of the Board and sanctioned by at least two-thirds (2/3) of the votes cast at a meeting of Members duly called for the purpose of considering the said resolution.

16.2 **By Whom By-law Amendments Proposed**

By-law amendments may be proposed by the President, any Member or by resolution of the Board.

Appendix B: Position Descriptions

1. CIHI Board Chair Position Description

Accountability

The Chair is accountable to the Board of Directors and members as specified by CIHI's Bylaw. The Chair is aware of and fulfills governance responsibilities and complies with applicable laws and bylaws to conduct Board business effectively and efficiently. The Chair is also accountable for his or her performance.

Role

- Ensure the integrity and effectiveness of the Board's governance role and processes.
- Preside over all meetings of the Board, the HR Committee and the members.
- Serve as an important member of the organization's leadership team, working cooperatively with the President and CEO.
- Act as a spokesperson for the organization, serving as a representative of the organization to both internal and external constituencies.
- Sit as an ex officio member of all Board committees.

Responsibilities

Board Governance

- Ensure that the Board performs a governance role that respects and understands the role of management.
- Ensure that the Board adopts an annual work plan that is consistent with the organization's strategic directions, mandate and vision.
- Ensure that the work of the Board committees is aligned with the Board's role and annual work plan and that the Board respects and understands the role of Board committees.
- Ensure Board succession by ensuring there are processes in place to recruit, select and train directors with the skills, experience, background and personal qualities required for effective Board governance.
- Oversee the Board's evaluation processes and provide constructive feedback to individual committee chairs and Board members as required.
- Ensure that the Board governance structures and processes are reviewed, evaluated and revised from time to time.

Presiding Officer

- In conjunction with the President and CEO, set agendas for Board meetings and ensure that matters dealt with at Board meetings appropriately reflect the Board's role and annual work plan.
- Encourage input and ensure that the Board hears both sides of a debate or discussion.
- Facilitate the Board in reaching a consensus.

Relationships

- Monitor the performance of the directors, ensuring periodic Board evaluations.
- Maintain a constructive working relationship with the President and CEO, providing advice and counsel as required to ensure he or she understands Board expectations.
- Ensure that the President and CEO's annual performance objectives are established and an annual evaluation of the President and CEO is performed.
- Participate in the hiring of the President and CEO.

Other Responsibilities

- Fulfill other powers and duties from time to time, as prescribed by the Board to the office.
- Perform all duties stated in the CIHI Board Member Position Description.

Commitment

The CIHI Board meets at least three times each year. Board meetings take place over two days in March, June and November. On an annual basis, CIHI holds an annual meeting of its members. This meeting is presently held in July. On a biennial basis, a Board retreat is held. The Chair meets regularly with the President and CEO and is responsible for serving as his or her advisor. The Chair helps set Board meeting agendas.

Qualifications

- Is a recognized individual knowledgeable about the field of health and/or health information
- Is in a position of authority to influence opinion leaders/decision-makers and has political acuity
- Possesses superior leadership and communication skills
- Has insight to help shape health information directions, policies and programs
- Brings visibility to and enhances the profile of the organization
- Has the time to continue the legacy of building strong relationships between the organization and stakeholders

Representation

- An individual at large who sits as an independent member once elected to the position of Chair (for example, not representing government or non-government organizations)

Term

The Chair is eligible to serve on CIHI's Board of Directors for two consecutive three-year terms not to exceed, in the aggregate, eight years.

2. CIHI Board Vice Chair Position Description

Accountability

During the absence of the Chair or when the Chair is unable to act, the duties and powers of the Chair may be exercised by the Vice Chair. If the Vice Chair takes the place of the Chair, the absence of or inability to act as the Chair will be referenced.

Responsibilities

- Serve as a member of the HR Committee.
- Act as a spokesperson for the organization, serving as a representative of the organization to both internal and external constituencies.
- Perform other duties from time to time as prescribed by the Board of Directors.
- Perform all duties stated in the CIHI Board Member Position Description.

Qualifications

- Meets all the qualifications listed in the CIHI Board Member Position Description and is a member of CIHI's Board of Directors
- Has the potential to be the future Board Chair

Term

The Vice Chair is eligible to serve on CIHI's Board of Directors for two consecutive three-year terms not to exceed, in the aggregate, eight years. If the Vice Chair is elected to the office of Chair, this limitation can be abrogated to permit the director to serve for two additional consecutive three-year terms in the office of Chair.

3. CIHI Board Member Position Description

Accountability

The Board of Directors provides the strategic leadership necessary to establish and review the vision, mandate, mission and corporate goals or objectives of CIHI. As a whole, the Board represents the collective interests of the provincial, territorial and federal governments, as well as quasi-governmental and private sectors, for the activities of CIHI requiring national direction. Members of CIHI's Board serve as a national coordinating council for health information in Canada.

Responsibilities

Directors and officers have a fiduciary responsibility to CIHI. Every director and officer is required to exercise his or her powers and discharge his or her duties by

- Acting honestly and in good faith with a view to the best interests of the corporation; and
- Exercising the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

In addition, directors are expected to

- Attend all Board meetings;
- Act as spokespersons for the organization, serving as representatives of the organization to both internal and external constituencies; and
- Participate in at least one Board committee.

For specific responsibilities regarding stewardship, advisory, fiduciary and monitoring roles, please see the section The Board's Role.

Commitment

CIHI's Board meets at least three times each year. Board meetings take place over two days in March, June and November. On an annual basis, CIHI holds an annual meeting of its members. This meeting is presently held in July. On a biennial basis, a Board retreat is held.

Qualifications

- Is a recognized individual knowledgeable about the field of health and/or health information
- Is in a position of authority to influence opinion leaders/decision-makers
- Possesses superior leadership and communication skills
- Has insight to help shape health information directions, policies and programs
- Brings visibility to and enhances the profile of the organization

Term

A director is eligible to serve on CIHI's Board for two consecutive three-year terms not to exceed, in the aggregate, eight years. This limitation is abrogated should the director be elected to the position of Vice Chair or Chair.

4. Chair of the CIHI Board Finance and Audit Committee Position Description

Committee Roles and Responsibilities

- Review and recommend approval of the broad financial policies of CIHI, including the yearly operational plans and budget.
- Review the financial position of CIHI and CIHI's Pension Plan.
- Formulate recommendations on the financial statements, the public accountant's report and the appointment of the forthcoming year's public accountant and the related fees.
- Provide direction for and review CIHI's internal audit program.

Specific Duties

- Attend and preside over all meetings of the FAC.
- Report to CIHI's Board of Directors on the activities of the committee and bring forward its recommendations.

Commitment

The FAC meets at least three times each year, either by conference call or face to face. Other meetings may be convened on an ad hoc basis as required.

Qualifications

- Must be a CIHI Board member
- Knowledge and skills in the area of finance

5. Chair of the CIHI Board Governance Committee Position Description

Committee Roles and Responsibilities

- Direct and oversee the assessment of the Board and Board committees, review such assessments and make recommendations to the Board regarding ways in which governance performance and contributions can be enhanced.
- Oversee Board member succession planning and assess and make recommendations regarding nominees for election and re-election to the Board.
- Oversee the selection of the Vice Chair and committee chairs and members.

- Design and periodically assess the Board members' orientation and education program, including review of the governance handbook.
- Review, assess and draft policies and decisions regarding governance performance for Board deliberation and action (for example, Remuneration Policy).
- Oversee performance indicators to be reported to the Board.
- Provide advice regarding the biennial Board retreat.
- Develop annual work plans for approval by the Board.
- Perform other tasks related to governance performance as assigned by the Board.

Specific Duties

- Attend and preside over all meetings of the Governance Committee.
- Report to CIHI's Board of Directors on the activities of the committee and bring forward its recommendations.

Commitment

The Governance Committee meets face to face at least once each year, generally in the spring. Other meetings may be required on an ad hoc basis, depending on the frequency and number of elections/re-elections to the Board. These meetings may be held by teleconference or in person, as appropriate.

Qualifications

- Must be a CIHI Board member
- Knowledge and skills in the area of governance

6. Chair of the Human Resources Committee Position Description

Committee Roles and Responsibilities

- Oversee CIHI's compensation and benefit policies, including the design of CIHI's Pension Plan.
- Review and approve the President and CEO's annual performance objectives.
- Review the President and CEO's performance and determine his or her compensation.
- Review the succession plan for the President and CEO and senior management.
- Oversee the principles of the recruitment/retention strategy for employees.
- Provide oversight related to occupational health and safety and other key HR activities.

Specific Duties

- Attend and preside over all meetings of the HR Committee.
- Report to CIHI's Board of Directors on the activities of the committee and bring forward its recommendations.

Commitment

The HR Committee meets at least two times each year, either by conference call or face to face. Other meetings may be convened on an ad hoc basis as required.

Qualifications

- The Board Chair holds this position.

7. Chair of the CIHI Board Privacy and Data Protection Committee Position Description

Committee Roles and Responsibilities

- Review and make recommendations on the direction of the privacy program.
- Provide direction for and review of the privacy audit program.
- Advise the Board of the implications of significant developments in privacy legislation and provide CIHI's position.
- Receive reports of major privacy breaches within CIHI that could be seen as constituting a breach of confidentiality.
- Submit an annual privacy report to CIHI's Board of Directors.

Specific Duties

- Attend and preside over all meetings of the PDP Committee.
- Report to CIHI's Board of Directors on the activities of the committee and bring forward its recommendations.

Commitment

The PDP Committee meets at least two times each year, either by conference call or face to face. Other meetings may be convened on an ad hoc basis as required.

Qualifications

- Must be a CIHI Board member
- Demonstrated interest in health privacy matters

Appendix C: Board Policies

A. Conflict of Interest Policy

Policy Objective

- To enhance stakeholder confidence in the integrity of the Canadian Institute for Health Information (CIHI).
- To minimize the possibility of conflicts between the private interests and official duties of CIHI's Board of Directors, officers and staff, and to resolve any such conflicts in the interest of all parties.

Application

This CIHI Conflict of Interest Policy (the "Policy") applies to CIHI's Board of Directors, officers and staff (permanent and contract employees).

Policy Requirements

CIHI's Board of Directors, officers and staff must take measures to prevent real, potential or apparent conflicts of interest in accordance with the principles of conduct outlined in this Policy.

CIHI must

- Ensure that CIHI's Board of Directors, officers and staff are informed of the requirements of the Policy;
- Determine whether real or potential conflicts of interest exist and what action, if any, must be taken; and
- Periodically monitor and evaluate compliance with the application of the Policy.

Disclosure

CIHI's Board of Directors, officers and staff are responsible for disclosing any situation where the individual believes there is, might be or appears to be a potential or actual conflict of interest.

Questions of interpretation or application of this Policy should be referred to the Director, Human Resources and Administration.

With respect to staff, where there is, might be or appears to be a potential or actual conflict of interest involving a staff member, it is the responsibility of that individual to immediately bring the matter to the attention of his or her branch director.

With respect to officers (who are not Board directors), where there is, might be or appears to be a potential or actual conflict of interest involving such individual, such individual must disclose the situation immediately in writing to CIHI, to the attention of his or her supervisor, as soon as that individual becomes aware of such potential or actual conflict of interest.

With respect to Board directors, each Board director shall disclose, in writing or by requesting it to be entered in the minutes of the meeting, any situation where there is, might be or appears to be a potential or actual conflict of interest involving such Board director at the beginning of every Board and committee meeting pursuant to the standing item on all Board and committee meeting agendas. A Board director who makes such a disclosure shall not participate in the discussion and shall not vote on any resolution with respect to the contract or transaction at issue. If a conflict arises, the Board director steps out of the meeting room or leaves the teleconference during the discussion of the agenda item in question, and then subsequently rejoins the meeting.

Principles and Rules of Conduct

These principles and rules of conduct are designed to enhance stakeholder confidence in the integrity of CIHI by

- Establishing clear rules of conduct respecting conflict of interest for CIHI's Board of Directors, officers and staff; and
- Minimizing the possibility of conflicts arising between the private interests and official duties of the Board of Directors, officers and staff.

Every Board director, officer and staff member shall

- Perform their official duties and arrange their private affairs in such a manner that stakeholder confidence and trust in the integrity, objectivity and impartiality of CIHI are conserved and enhanced;
- Not have private interests that would be affected particularly or significantly by CIHI activities in which they participate;
- Not directly or indirectly use, or personally benefit from, CIHI funds for purposes other than for the conduct of approved CIHI business;
- Not solicit or accept transfers of economic benefit, other than incidental gifts, customary hospitality or other benefits of nominal value;
- Not step out of their official roles to assist private entities or persons in their dealings with CIHI where this would result in preferential treatment to any person;
- Not accord preferential treatment in relation to any official matter to family members or friends, or to organizations in which the employee, family members or friends have an interest;
- Not knowingly take advantage of, or benefit from, information that is obtained in the course of their official duties and responsibilities and that is not generally available to the public; and
- Not directly or indirectly use, or allow the use of, CIHI property of any kind for anything other than officially approved activities.

Furthermore, any sponsorship/co-sponsorship arrangements and/or donations must not place, nor appear to place any CIHI Board director, officer or staff, as applicable, under an obligation to any person/supplier who might benefit from or seek to gain special consideration or favour based on a sponsorship/co-sponsorship/donation.

Examples of Conflict of Interest

Some of the more common areas of potential conflicts include the following:

- The choice of suppliers of goods and services to CIHI must be based on competitive considerations of quality, price, service and benefit to CIHI and must comply with its policies. Contracts will be awarded in a fair and legal manner and are subject to the established tendering procedure. Use of one's position or knowledge to influence this process for direct or indirect personal gain is prohibited. Employees must not represent themselves as being in a position to commit CIHI to the purchase of goods or services except in accordance with relevant policies and practices, and within the recognized authority of their position.
- Any employee that believes he or she, or someone else, is in breach of these provisions must comply with the disclosure requirements of this Policy and the Code of Business Conduct.
- Employees and Board directors shall not accept or offer gifts, hospitality or other benefits that could be construed as being given in anticipation of future special considerations or recognition of past consideration by CIHI.
- Employees shall not accept, directly or indirectly, any entertainment, cultural, social, charitable, political, recreational, sporting event, hospitality or other benefit offered at the expense of a person, persons, groups or organizations except as provided for in the Gifts, Entertainment and Hospitality Policy.
- Employees and Board directors must disclose their relationship should a family member be hired by CIHI.
- Employees will not devote time during normal business hours to an outside business or activity.

Other Related References

Hospitality and Gifts Policy, Recruitment and Selection Policy, CIHI Acceptable Use Policy, CIHI Information Security, Employee Privacy Policy, Procurement Policy, Travel Policy, Respectful Workplace Policy and Code of Business Conduct.

CIHI's Board of Directors and Officers

Section 141 of the *Not-for-Profit Corporations Act* (2009) (the act) will apply to CIHI's Board of Directors and officers, as such terms are defined in the act, which will include the Chair, Vice Chair, the Secretary of the Board/President and CEO, the Vice President (Programs), the Vice President (Corporate Services), the Vice President (Research and Analysis), the Chief Technology Officer, the Director of Finance and the General Counsel.

Board directors and officers should also refer to Section 141 of the act for further details regarding the types of interests that are required to be disclosed and the procedures for disclosing this information. Nothing in this Policy is intended to in any way amend, derogate from or qualify the requirements of the act.

B. Travel Expense Policy

CIHI will reimburse out-of-pocket travel expenses of members of the Board of Directors, members of other advisory committees and others who may travel on behalf of CIHI.

CIHI staff shall ensure that the appropriate CIHI form is provided to committee participants. Original receipts are required for all expenses claimed (except meal per diems).

Accommodation

Single-room hotel accommodation will be reimbursed.

Meals

Meals purchased as part of CIHI business-related travel will be reimbursed on the basis of a daily per diem of \$57 (including taxes and tips). The breakdown is as follows:

Breakfast	\$12
Lunch	\$14
Dinner	\$31

Meals may be claimed on a per diem basis during business travel if travel occurs during meal hours; specifically, per diems will be permitted for travel departures from home or office scheduled prior to 8:30 a.m. and arrivals home or to the office scheduled after 5 p.m. during the workweek. Meal per diems will apply if staying with family or friends during business travel.

Claims for per diems shall be adjusted to consider meals included as part of the attendance at meetings or as part of airline/railway travel. If international travel is required, the per diem will be adjusted as appropriate.

Transportation

The mode of transportation chosen may be air, train or automobile. If travel is by automobile, reimbursement will be at the rate of \$0.47 per kilometre. Mileage exceeding the equivalent airfare will not be paid. Taxi and/or limousine fares will be reimbursed as incurred. If travel is by air, reimbursement will be for economy airfare, plus the costs of local transportation.

Individuals travelling on behalf of CIHI are expected to travel in economy airfare classes. Executive class airline travel requires approval of the President and CEO and will be limited to such circumstances as health reasons, business imperatives or other circumstance as deemed appropriate.

Miscellaneous Items for Reimbursement

Phone: Necessary telephone calls due to absence from home.

Tips: Reasonable and necessary gratuities for waiters, porters, etc. Tips for meals are included in the per diem.

Parking: Charges incurred when a personal car is used to travel to and from the home airport and parking at destination when travel is by car.

Hospitality

Charges for entertainment are not reimbursable. Such charges are considered to be a personal expense.

C. Remuneration Policy

CIHI directors should receive some financial recognition for the time they commit to CIHI's business.

Eligibility for remuneration will be based on the following:

- CIHI directors who are employed by government (federal/provincial/territorial) are not eligible to receive remuneration.
- CIHI directors who are employed by an organization that receives funding from the government (for example, regional health authority, hospital) are not eligible to receive remuneration.
- CIHI directors who do not fall into either of the above categories are eligible to receive remuneration.

CIHI directors will continue to be fully reimbursed for out-of-pocket travel expenses incurred as a result of serving on the Board. Details regarding such reimbursements are provided in the Travel Expense Policy.

Board of Directors Remuneration

Directors who qualify according to CIHI's policy shall receive the following remuneration:

- \$500 per day/\$250 per half-day for each Board or committee meeting attended.
- \$500 per day/\$250 per half-day for travel time to and from Board or committee meetings. Directors who travel more than four hours one way will be paid a full day of travel.
- \$100 for each teleconference meeting of the Board or committee.
- \$500 per day for time spent representing CIHI, as approved by the President and CEO, such as participating in an external committee meeting or other organized planning sessions (such as an information summit).

For example, if a Board meeting covers major portions of two days, including extended travel time, it is expected that \$1,000 would be paid.

Board Chair Remuneration

CIHI will also provide an annual stipend to the Board Chair for time spent on other business matters as an official CIHI representative. The annual stipend will be \$10,000 and will be provided in addition to the remuneration stated above.

Appendix D: Using the Board Portal

The Board Portal is an electronic intranet site that is maintained by CIHI to facilitate the exchange of information and documentation. All material for Board and committee meetings is posted on the Portal at least one week prior to the meeting.

To access the Board Portal, please visit <https://ec.boardvantage.com>. Your user ID will be in the following format:

First name.last name@cihi

Your password will be chosen by you and should remain secure/private.

When Board or committee documents are posted, you will receive an email from BoardVantage Alerts. Follow the instructions in the email to access the meeting materials. If you are not able to access the Board Portal or if you have any questions or concerns, please contact the corporate secretary at 613-241-7860 or corporatesecretary@cihi.ca.

Training on using the Board Portal is available for directors and their support staff. If you would like to schedule a training session, please contact the corporate secretary at 613-241-7860 or corporatesecretary@cihi.ca.

Talk to Us

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