

AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Governance Committee

Microsoft Teams
Thursday, November 18, 2021, 6:00 p.m.

- 1. DISCLOSURE OF CONFLICTS OF INTEREST**
- 2. APPROVAL OF AGENDA** – November 18, 2021
- 3. APPROVAL OF MINUTES** – October 21, 2021
- 4. RECEIPT OF SUB-COMMITTEE MINUTES** – October 19, 2021 (CEO and MOH Performance Review Committee)
- 5. NEW BUSINESS**
 - 5.1. Governance By-Law and Policy Review (Report No. 23-21GC)
- 6. OTHER BUSINESS**

Next meeting date is TBD, 2022
- 7. ADJOURNMENT**



**PUBLIC MINUTES
GOVERNANCE COMMITTEE**

Microsoft Teams

Thursday, October 21, 2021 5:30 p.m.

MEMBERS PRESENT: Mr. Bob Parker (Chair)
Ms. Aina DeViet
Ms. Maureen Cassidy
Mr. Mike Steele

OTHERS PRESENT: Dr. Christopher Mackie, Secretary-Treasurer
Ms. Carolynne Gabriel, Executive Assistant to the Board of Health and Communications Coordinator (Recorder)
Ms. Stephanie Egelton, Senior Executive Assistant to the Medical Officer of Health / Associate Medical Officer of Health
Ms. Emily Williams, Director, Healthy Organization/Interim CEO
Ms. Kendra Ramer, Manager, Strategy, Risk and Privacy
Ms. Kelly Elliott, Board of Health Member
Mr. Matt Reid, Board of Health Member
Dr. Alexander Summers, Associate Medical Officer of Health
Mr. Selomon Menghsha, Board of Health Member

Chair Bob Parker called the meeting to order at **5:32 p.m.**

DISCLOSURES OF CONFLICT OF INTEREST

Chair Parker inquired if there were any disclosures of conflict of interest. None were declared.

APPROVAL OF AGENDA

It was moved by **Ms. Maureen Cassidy**, seconded by **Ms. Aina DeViet**, that the **AGENDA** for the October 21, 2021 Governance Committee meeting be approved.

Carried

APPROVAL OF MINUTES

It was moved by **Ms. Cassidy**, seconded by **Mr. Mike Steele**, that the **MINUTES** of the September 15, 2021 Governance Committee meeting be approved.

Carried

It was moved by **Ms. Cassidy**, seconded by **Mr. Steele**, that the **MINUTES** of the October 12, 2021 Special Meeting of the Governance Committee be approved.

Carried

RECEIPT OF SUB-COMMITTEE MINUTES

It was moved by **Ms. DeViet**, seconded by **Ms. Cassidy**, that the **MINUTES** of the September 9, 2021 Governance Responsibilities Committee meeting be received.

Carried

NEW BUSINESS

2021-22 Provisional Plan Progress Update (Report No. 21-21GC)

This report was introduced by Ms. Emily Williams, Directory, Healthy Organization / CEO (Interim) who introduced Ms. Kendra Ramer, Manager, Strategy, Risk and Privacy.

Discussion on this report included:

- Due to the demands of the continuing COVID-19 pandemic, it has been challenging for resources to be appropriately allocated to the goals intended to be initiated in phase two of the Provisional Plan.
- A rapid situational analysis was conducted to help inform decisions about pausing or moving work forward based on organizational capacity.
- Based on the findings from the situational analysis, it was requested that phases two and three of the Provisional Plan be extended by six months.
- It was noted that none of the objectives in the Provisional Plan are facing major obstacles and that it was important for the Board of Health to acknowledge the current context and that staff are very stretched and have been operating in this manner for almost two years.
- It was confirmed that more staff have successfully taken their allocated vacation this year than the previous year, in part due to requesting that staff submit a vacation plan earlier in the year. However, it has been more challenging for the leadership team to take vacation time and there will again be a discussion about vacation carryover.
- It was noted that professional development opportunities for staff have again been negatively affected this year, as with last year; however, many professional development offerings are changing to a virtual format, and staff participation is rising.

It was moved by **Ms. Cassidy, seconded by Mr. Steele**, that the Governance Committee recommend to the Board of Health to:

- 1) *Receive Report No. 21-21GC re: “2021-22 Provisional Plan Progress Update” for information; and*
- 2) *Approve extending the phases of the Provisional Plan by six months.*

Carried

Governance By-Law and Policy Review (Report No. 22-21GC)

This report was introduced by Ms. Williams who thanked the Governance Committee members for the amount of policies they reviewed this month, acknowledging that the work was immense.

The committee members discussed the proposed changes for the policies, as outlined in Appendix A to the report. This discussion included:

- It was agreed that the Manager, Human Resources be given signing authority for the appendices of policy G-030 MOH and CEO Position Descriptions due to the CEO and Director, Healthy Organization now being the same individual. It was noted that the Manager, Human Resources historically had this signing authority prior to the creation of the Director, Healthy Organization position.
- It was requested that the policy number be added to the header on each page of its policy.
- It was requested that authorization for media releases be extended to the Associate Medical Officer of Health in policy G-480 Media Relations.
- For policy G-490 Board of Health Reports, it was decided that responsibility for maintaining all Board of Health reports reside with the Executive Assistant to the Board of Health instead of with an Executive Assistant to the Secretary as the Secretary role could now be any member of the Board of Health, who may not have an Executive Assistant.

- For policy G-490, it was decided that the policy did not need to include a deadline for notification for a special meeting of the Board due to it not being required by the *Municipal Act* and special meetings only having one item of new business.

Lengthy discussion occurred on the proposed wording for policy G-280 Board Size and Composition with regards to the term length of the Board of Health Chair. Key points of the discussion are:

- There was agreement on removing the rotation of the Chair role among City, County and Provincial appointees with the underlying principle of “equity” and allowing any member of the Board the opportunity to nominate themselves to be Chair.
- It was noted that most Chairs have served two terms and that, in most cases, their second term is more successful because they had their first term to learn and develop. However, it was opposed that the policy should state that the Chair’s term would be two years because a) this might discourage Board members from running for the position; b) a Board member may be unable to serve a two-year term due to municipal elections or their provincial appointment term length; and c) it might not be in the best interest of the Board for a Chair to continue serving into a second year.
- Chair Parker requested that other Board of Health members present at the meeting join the conversation. This included: Mr. Matt Reid, Ms. Kelly Elliott, and Mr. Selomon Menghsha. It was noted that there are pros and cons to having a Chair able to serve multiple years consecutively. What was agreed to be important is allowing the Board flexibility to have the person who is determined by the Board of Health to be the best choice for the Board in the role of Chair. It was decided to not change the proposed wording “The Chair of the Board shall be selected by the voting members to serve for a term of one year” as it does not preclude them from serving additional terms.

Ms. Ramer also spoke to Appendix C and requested: 1) approval to proceed with making the changes as required and outlined in the Appendix, and 2) direction on updating the effective date of the policies outlined in Appendix C such that the effective date reflects the changes to the policies, but the review date remains the same and is not updated.

It was moved by **Ms. Cassidy, seconded by Ms. DeViet**, that the Governance Committee recommend to the Board of Health to:

- 1) *Receive Report No. 22-21GC re: “Governance By-law and Policy Review” for information; and*
- 2) *Approve the governance policies appended to this report with the recommendations accepted for G-030 regarding signing authority, G-480 regarding media releases, and G-490 regarding: responsibility for maintaining board reports, to take effect on October 21, 2021.*

Carried

OTHER BUSINESS

Next meeting is Thursday, November 18, 2021 at 6 p.m.

ADJOURNMENT

At **6:50 p.m.**, it was moved by **Mr. Steele**, seconded by **Ms. Cassidy**, *that the meeting be adjourned.*

Carried

ROBERT PARKER
Chair

CHRISTOPHER MACKIE
Secretary-Treasurer

DRAFT



**PUBLIC MINUTES
CEO AND MOH PERFORMANCE REVIEW COMMITTEE**

Microsoft Teams
Tuesday, October 19, 2021 9:00 a.m.

MEMBERS PRESENT: Mr. Matt Reid (Chair)
Ms. Aina DeViet
Ms. Maureen Cassidy
Mr. Mike Steele

REGRETS: Mr. Bob Parker

OTHERS PRESENT: Ms. Carolynne Gabriel, Executive Assistant to the Board of Health and Communications Coordinator (Recorder)
Mr. Selomon Menghsha, Board of Health member
Ms. Cynthia Bos, Manager, Human Resources
Mr. Marc Lacoursière, President, The Achievement Centre

Chair Matt Reid called the meeting to order at **9:03 a.m.**

DISCLOSURES OF CONFLICT OF INTEREST

Chair Parker inquired if there were any disclosures of conflict of interest. None were declared.

APPROVAL OF AGENDA

Chair Reid amended the agenda to include the public item: Review and confirm the performance appraisal process, supporting documents required and timelines.

It was moved by **Ms. Maureen Cassidy, seconded by Mr. Mike Steele**, that the **AGENDA** for the October 19, 2021 CEO and MOH Performance Review Committee be approved as amended.

Carried

NEW BUSINESS

Review and confirm the performance appraisal process, supporting documents required and timelines (Verbal)

Chair Reid introduced the performance appraisal process for the Medical Officer of Health and Chief Executive Officer. This discussion included the sharing and review of: Policy G-050 MOH/CEO Performance Appraisal; Policy G-050, Appendix B, MOH/CEO Performance Appraisal Checklist; Report No. 20-21GC, Appendix A, MOH and CEO Performance Appraisal Tools; Report No. 20-21GC, Appendix B, Middlesex-London Health Unit Medical Officer of Health and Chief Executive Officer Performance Appraisal Process Timeline 2021.

It was moved by **Ms. Cassidy, seconded by Mr. Steele**, that the CEO and MOH Performance Review Committee receive this verbal update for information.

Carried

CONFIDENTIAL

At **9:17 a.m.**, it was moved by **Ms. Cassidy, seconded by Mr. Steele**, *that the CEO and MOH Performance Review Committee will move in-camera to consider matters regarding personal matters about identifiable individuals, including municipal or local board employees.*

Carried

At **10:12 a.m.**, it was moved by **Ms. Cassidy, seconded by Ms. DeViet**, *that the CEO and MOH Performance Review Committee rise and return to public session from closed session.*

Carried

ADJOURNMENT

At **10:12 a.m.**, it was moved by **Ms. Cassidy, seconded by Ms. DeViet**, *that the meeting be adjourned.*

Carried

MATT REID
Chair

CHRISTOPHER MACKIE
Secretary-Treasurer



TO: Chair and Members of the Governance Committee

FROM: Emily Williams, CEO (Interim)

DATE: 2021 November 18

GOVERNANCE BY-LAW AND POLICY REVIEW

Recommendation

It is recommended that the Governance Committee recommend to the Board of Health to:

- 1) *Receive Report No. 23-21GC re: “Governance By-law and Policy Review” for information; and*
- 2) *Approve the governance policies appended to this report (Appendix B).*

Key Points

- It is the responsibility of the Governance Committee to make recommendations to the Board of Health regarding the review and development of governance by-laws and policies.
- Appendix A details recommended changes to the by-laws and policies that have been reviewed and outlines the status of all documents contained within the Governance Manual.
- There are eight (8) policies that have been prepared for review by the Governance Committee ([Appendix B](#)).
- There are three (3) policies that are coming due during the month of November.
- The Governance Policy Manual is current and up to date.

Background

In 2016, the Board of Health (BOH) approved a plan for the review and development of by-laws and policies based on a model that incorporates best practices from the Ontario Public Health Standards and advice obtained through legal counsel. Refer to [Report No. 018-16GC](#). The Governance Committee had been actively reviewing the overdue policies during the first half of 2021; however, this activity was paused during Q2 to focus on the COVID-19 vaccination campaign.

Policy Review

There are eight (8) by-laws/policies included as [Appendix B](#) that have been prepared for review by the Governance Committee:

- G-180 Financial Planning and Performance
- G-190 Asset Protection
- G-200 Approval and Signing Authority
- G-210 Investing
- G-240 Tangible Capital Assets
- G-310 Corporate Sponsorship
- G-320 Donations
- G-330 Gifts and Honoraria

[Appendix A](#) to this report details the recommended changes for the above by-laws/policies as well as the status of all documents contained within the Governance Manual.

There is a total of 43 by-laws/policies and of these there are only three (3) remaining that are coming due for review at the end of November 2021. Following the review of the remaining three (3) policies, the Governance Policy Manual will be current and up to date.

Next Steps

The Governance Committee needs to review and approve the appended by-laws/policies. Once the Governance Committee is satisfied with its review, the policies will be forwarded to the Board of Health for approval.

This report was prepared by the Manager, Strategy, Risk and Privacy.

A handwritten signature in cursive script that reads "EWilliams".

Emily Williams, BScN, RN, MBA
CEO (Interim)

FINANCIAL PLANNING AND PERFORMANCE

PURPOSE

To ensure that Middlesex-London Health Unit (MLHU) budgeting and financial practices are performed in a fiscally responsible manner and that processes are in place that allow for responsible financial controls and the ability to demonstrate organizational performance.

POLICY

The Treasurer or his/her designate prepares and controls the Annual Budget under the jurisdiction of the Board of Health and prepares financial and operating statements for the Board of Health in accordance with Ministry of Health policies and Public Sector Accounting Board Guidelines.

Fiscal Year

The fiscal year is January 1 to December 31 for all mandatory programs and any programs funded in whole or in part, by municipalities. For programs funded by other agencies, the fiscal year shall be determined by the agency providing funding.

Annual Budget Preparation

The annual budget will be developed based on a variety of factors including strategic directions, provincial and/ or municipal guidance, previous years' base budgets, community need, new funding or legislative requirements. Budget planning and performance reporting is the responsibility of the directors, managers and other staff who manage budgets. (Refer to Appendix A for the budget planning and approval cycle.)

The planning and approval cycle has the following components:

- a) Annual Service Plan – The Annual Service Plan (ASP) is a Ministry-driven requirement that provides a comprehensive summary of each MLHU program including the program's purpose, costs, key performance indicators and other relevant information. The ASP supports the annual budget that is approved by the Board of Health, as well as annual budget reporting by program to the Ministry of Health (MOH).
- b) Zero-based Budgeting – Zero-based Budgeting is a process by which program and operating budgets are built 'from scratch' via the assessment of every aspect of program and service activity to determine its worth, and subsequently attributes that amount to the budget. Funds are allocated based on prioritization and necessity, not historical budget amounts.

- c) **Program Budgeting Marginal Analysis (PBMA)** – PBMA facilitates reallocation of resources based on maximizing service. This is done through the transparent application of pre-defined criteria and decision-making processes to prioritize where proposed funding investments and disinvestments are made.
- d) **Quarterly Financial Reporting** – MLHU staff provide financial analysis for each quarter and report the actual and projected budget variance as well as any budget adjustments, or noteworthy items that have arisen since the previous financial update that could impact the MLHU budget.
- e) **One-time Funding Requests** – One-time funding requests may be used for non-reoccurring expenditures or to temporarily enhance program objectives. (Requests should be made during the budget preparation process, by making application to the provincial government for one-time funding when filing the Annual Service Plan. Approval of the request will follow Policy G-200 Signing Authority based on the total value of the request.)

Annual Budget Approval

The Finance and Facilities Committee (FFC) of the Board of Health reviews and recommends the annual budget for Board of Health approval.

Factual Certificate

MLHU management completes a factual certificate to increase oversight in key areas of financial and risk management. The certificate process ensures that the FFC has done its due diligence. The certificate is reviewed on a quarterly basis alongside financial updates.

Audited Financial Statements

The preparation of the financial statements is the responsibility of MLHU's management. Financial statements must be prepared in compliance with legislation and in accordance with Canadian public sector accounting standards. The FFC meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The Board of Health must provide audited financial reports to funding agencies for programs that are funded from April 1st – March 31st each year to provide assurance that the funds were expended for the intended purpose. These programs are also reported in the main audited financial statements of MLHU which is approved by the Board of Health. This report includes program revenues and expenditures of these programs during the period of January 1st to December 31st.

APPENDICES

Appendix A – Annual Budget Planning and Reporting Cycle

RELATED POLICIES

G-200 Approval & Signing Authority

ASSET PROTECTION

PURPOSE

To ensure that Middlesex-London Health Unit (MLHU) assets, Board of Health members, employees, students, volunteers and any other persons legally engaged on the behalf of MLHU are adequately insured against physical damage and/or injury and errors and omissions.

POLICY

The Board of Health shall ensure that assets are reasonably protected and not placed at unnecessary risk or liability, including:

- Actively mitigating risks through planning and policy development (Refer to Policy G-120 Risk Management); and
- Maintaining reasonable insurance coverage against:
 - Fire, theft and casualty losses, with an appropriate deductible;
 - Liability losses for Board of Health members, employees, students, volunteers and any other persons legally engaged on the behalf of MLHU; and
 - Losses due to errors and omissions for Board of Health members, employees, students, volunteers and any other persons legally engaged on the behalf of MLHU.

The **Assistant Director, Finance** or designate reviews all insurance policies annually with insurance professionals representing the Board of Health and presents any substantive changes in these policies to the Finance and Facilities Committee of the Board of Health for their approval.

The **Assistant Director, Finance** or designate provides proof of insurance as required (Refer to Appendix A – Requests for Insurance Certificates).

APPENDICES

Appendix A – Requests for Insurance Certificates

RELATED POLICIES

G-120 Risk Management

Requests for Insurance Certificates

From time to time, staff may be required to provide proof of the Middlesex-London Health Unit's insurance, for example for renting facilities and equipment.

Requests for proof of insurance must be submitted to the **Assistant Director, Finance** or designate 10 business days prior to the date required by the third party. The request should detail the following:

- Date of the event
- The location and description of the event
- The third party contact information including name, address and fax number

The **Assistant Director, Finance** or designate will liaise with the insurance agent to fill the request and ensure the 3rd party receives a copy of the insurance certificate.

APPROVAL AND SIGNING AUTHORITY

PURPOSE

To outline the signing authority and responsibilities for those who can approve financial and non-financial transactions, and all binding agreements on behalf of the Board of Health.

POLICY

Middlesex-London Health Unit (MLHU) management are granted signing authority to make commitments or expenditures on behalf of the organization, in accordance with the requirements set out in this policy.

Individuals must respect this privilege and abide by this policy or risk having their signing authority revoked or revised.

This policy applies to:

- All financial commitments;
- All purchase orders/requisitions and contracts; and
- All binding, non-financial contracts.

This policy does not apply to employment contracts.

Refer to Appendix A for financial signing authority limits, and Appendix B for non-financial signing authority/approval of contracts. Similar and related transactions that would normally be processed concurrently must not be split in order to avoid signing authority levels.

Supporting documentation must be provided in accordance with the requirements set out in Policy G-220 Contractual Services and Policy G-230 Procurement as applicable.

A list of names, titles and signatures for all individuals with signing authority will be maintained by Finance. Controlled digital signatures are managed in accordance with G-B-20 By-law No. 2 Banking and Finance.

APPENDICES

Appendix A – Financial Signing Authority Limits

Appendix B – Non-Financial Signing Authority

RELATED POLICIES

G-220 Contractual Services

G-230 Procurement

G-B20 By-law No. 2 Banking and Finance

Financial Signing Authority

Appendix A
POLICY G-200

Group	Total Amount of Expense Per Transaction (in CAD, inclusive of taxes and gratuities)
Non-Management Employee	-
Manager	\$5,000
Director/AMOH	\$20,000
MOH and CEO	\$60,000
Board of Health	>\$60,000
Assistant Director, Finance (as approver of CEO)	\$20,000
Board of Health (as approver of MOH and CEO)	>\$20,000

Non-Financial Signing Authority

	Type of Contract	Signing Authority
1.	General	
	Union Agreements (MOUs, grievance responses etc.)	CEO
	Collective Agreement Minutes of Settlement	Board of Health
	Banking – Choice of Bank	Board of Health
	Banking – Day to Day	CEO
	Insurance – Choice of Carrier/Broker and Coverage (employee group insurance benefits, Employee and Family Assistance Program)	CEO
	Auditor – Appointment	Board of Health
	Auditor – Certificates and Undertakings	CEO
2.	Consultants, Independent Contractors and Professional Services	
	Lawyers/Labour Negotiators (appointment)	CEO
	Dentists and Physicians (appointment of medical advisors)	MOH
	Dentists and Physicians (e.g. Sexual Health Clinic, TB Clinic)	MOH or AMOH
	Public Health Physicians	Board of Health
	Nurse Practitioners (RN Extended Class)	MOH or AMOH
	Agency or Individual Service Provider (not listed above) – Short-Term (i.e. less than 12 months)	Director or AMOH
	Agency or Individual Service Provider (not listed above) – Long-Term (i.e. 13 months or more)	MOH and CEO
3.	Program-Related Service Agreements	
	Ministry of Health or other ministries	Board of Health or MOH
	Other local agencies (coalition agreements, lead agency agreements).	Board of Health or MOH
	Information technology, software, or data-sharing agreements	MOH or CEO
	Procurement Agreements including NDAs up to \$20,000	MOH or CEO
	Program-specific NDAs	Director or AMOH
5.	Educational Agreements	
	Affiliation Agreements, Student Placements	CEO
6.	Research/Grants	
	Applications, Agreements and Awards	Director after consultation with MOH or CEO

7.	Contracting of Services	
	Lead Agency Agreements	Board of Health
	Supplemental Services	MOH or CEO

*Refer to Appendix A for financial signing authority limits where applicable.

**Signing authority is automatically vested in individuals at higher levels of authority in the direct line of reporting.

INVESTING

PURPOSE

To set out a framework for investing to maximize investment income at minimal risk to capital while meeting the daily cash requirements of the Board.

POLICY

The Middlesex-London Health Unit (MLHU), pursuant to Section 56 (1) of the Health Protection and Promotion Act may enact by-laws and policies respecting banking and finance.

The Board of Health shall invest public funds in a manner that maximizes investment income and minimize investment risk while meeting the daily cash requirements of the Board and conforming with all related statutory and contractual requirements. The investment policy shall govern the investment activities of the Board's general operating account, reserves, reserve funds and trust funds.

MLHU shall adhere to the following objectives in the consideration, purchase, disposal and administration of any Board of Health held investments:

- a) Adherence to Statutory Requirements – All investment activities shall be in compliance with the relevant sections of any applicable legislation, related regulations, and applicable funding agreements.
- b) Preservation of Capital – Safety of principal is a primary objective of the investment portfolio. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- c) Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating or cash flow requirements and limit temporary borrowing requirements. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets.
- d) Diversification – The portfolio shall be diversified by asset class, issuer type, credit rating and by term to the extent possible, given legal and regulatory constraints.
- e) Yield – MLHU shall maximize the net rate of return earned on the investment portfolio, without compromising the other objectives listed previously. Investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the assumed risk.

The **Treasurer** shall have overall responsibility for the prudent investment of the Board's investment portfolio. The **Treasurer** shall have the authority to implement the investment

program and establish procedures consistent with this policy. Such procedures shall include the explicit delegation of the authority needed to complete investment transactions however the **Treasurer** shall remain responsible for ensuring that the investments are compliant with legislations and this policy. No person may engage in an investment transaction except as provided under the terms of this policy.

The **Treasurer** shall be authorized to enter into arrangements with banks, investment dealers and brokers, and other financial institutions for the purchase, sale, redemption, issuance, transfer and safe-keeping of securities in a manner that complies to applicable legislation.

APPLICABLE LEGISLATION AND STANDARDS

Health Protection and Promotion Act
Municipal Act

RELATED POLICIES

G-B20 By-law No. 2 Banking and Finance

TANGIBLE CAPITAL ASSETS

PURPOSE

To prescribe the accounting treatment for tangible capital assets so that investments in property, plant and equipment are reflected on the Middlesex-London Health Unit's (MLHU) financial statements in order to comply with Section 3150 of the Public Sector Accounting Board (PSAB) Handbook.

POLICY

The **principal** issue regarding tangible capital assets (TCA) is the recognition of the assets and the determination of amortization charges. This policy sets forth how MLHU gathers and maintains information needed to prepare financial statements in regard to tangible capital assets.

Capitalization and Asset Categories

Tangible capital assets should be capitalized (recorded in the fixed asset sub-ledger) according to the following asset classes per year:

Asset Class	Useful Life (Years)
Leasehold Improvements	5-20
Computer Systems	4
Motor Vehicles	5
Furniture and Equipment	7

*Assets under construction are not amortized until the asset is available for productive use.

*MLHU must have legal title to the assets in order for the asset to qualify as a capital asset.

Valuation of Assets

Tangible capital assets should be recorded at cost plus all related charges necessary to place the asset in its intended location and condition for use.

Purchased Assets – The cost is the gross amount paid to acquire the asset and includes all non-refundable taxes and duties, freight and delivery charges, installation and site preparation costs etc., net of any trade discounts or rebates.

Acquired, Constructed or Developed Assets – The cost includes all costs directly attributable (e.g. construction, architectural and other professional fees) to the acquisition, construction or development of the asset. Capitalization of general administrative overhead is not permitted.

Donated or Contributed Assets – The cost of donated or contributed assets is equal to the fair value at the date of construction or contribution. Fair value may be determined using market or appraisal values.

Amortization

The cost, less any residual value, of a tangible capital asset with a limited life should be amortized over its useful life in a rational and systematic manner appropriate to its nature and use. (PSAB 3150.22)

Amortization should be accounted for as an expense in the statement of operations. A record is still required for assets still in use, but already fully amortized. Amortization does not commence until the asset is available for use. In the year an asset is put into service, half of the applicable amortization is expensed. The method of asset amortization, threshold levels and estimated useful life will be reviewed on an annual basis.

Disposal

The **Assistant Director**, Finance must be notified when assets become surplus to operations. Disposal procedures for capital assets will be in accordance with Policy G-230 Procurement.

Capital Leases

Any capital lease shall be accounted for in the same manner as acquiring a capital asset.

Reporting

PSAB 3150.40 requires that the financial statements disclose, for each major category of tangible capital assets and in total:

- a) Cost at the beginning of the period;
- b) Additions in the period;
- c) Disposals in the period;
- d) The amount of any write-downs in the period;
- e) The amount of amortization of the costs of tangible capital assets for the period;
- f) Accumulated amortization at the beginning and end of the period; and
- g) Net carrying amount at the beginning and end of the period.

Method for Determining Initial Cost of Each Asset Category

Where feasible, an inventory of all assets will be conducted. A master list of assets will be created, identified by category and updated as assets are acquired or disposed of. Assets which are old and still in use past their normal amortization period will still be recorded.

DEFINITIONS

“Amortization” is the accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life. (Also referred to as depreciation.)

“Betterments” are subsequent expenditures on tangible capital assets that:

- Increase service capacity
- Lower associated operating costs
- Extend the useful life of the asset
- Improve the quality of the asset

These costs are included in the tangible capital asset’s cost. Any other expenditure would be considered a repair or maintenance and expensed in the period in which the expense was incurred.

“Capital Lease” is a lease with contractual terms that transfer substantially all the benefits and risks inherent in ownership of property to MLHU. One or more of the following conditions must be met:

- a) There is reasonable assurance that MLHU will obtain ownership of the leased property by the end of the lease term;
- b) The lease term is of such duration that MLHU will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span; and/or
- c) The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.

“Capitalization Threshold” is the minimum amount that expenditures must exceed before they are capitalized and reported on the balance sheet of the financial statements. Items not meeting the threshold would be recorded as an expense in the period in which the expense was incurred. Management should use appropriate discretion for individual items under \$100 in value with a service life exceeding four years (minimum amortization period for capital assets).

“Group Assets (Pooling)” have an individual value below the capitalization threshold but have a material value as a group. Although recorded in the financial systems as a single asset, each unit may be recorded in the asset sub-ledger for monitoring and control of its use and maintenance. Examples could include computers, furniture and fixtures, small moveable equipment etc.

“Tangible Capital Assets” are non-financial assets having physical substance that:

- a) Are used on a continuing basis in MLHU’s operations;
- b) Have useful lives extending beyond one year; and
- c) Are not held for re-sale in the ordinary course of operations.

“Useful Life” is the shortest of the asset’s physical, technological, commercial or legal life.

APPLICABLE LEGISLATION

Public Sector Accounting Board (PSAB) Handbook

CORPORATE SPONSORSHIP

PURPOSE

To provide guidelines to maximize revenue opportunities while safeguarding the Middlesex-London Health Unit's (MLHU) corporate values, image, reputation, assets and interests.

POLICY

MLHU welcomes and encourages sponsorship, in accordance with this policy, to advance the work of the organization.

This policy applies to sponsorship, defined as a mutually agreed to arrangement, prepared in writing, between MLHU and an external party (organization or individual referred to as the "sponsor"), where the sponsor contributes money, goods or services to an MLHU facility, program, project or special event in return for recognition, acknowledgement, or other promotional considerations or benefits.

MLHU reserves the right to reject any unsolicited sponsorships that have been offered, and to refuse to enter into agreements for any sponsorships that may have been solicited by MLHU.

This policy does not apply to donations, gifts in-kind or advice where no business relationship or association is contemplated or is required and where no reciprocal consideration is being sought. (Refer to Policy G-320 Donations where applicable.)

Conflict of Interest

The policy applies to all employees and Board members, and all relationships between MLHU and the sponsor. Employees/Board members must not receive direct professional, personal or financial gain from an affiliation with the sponsor. MLHU must be vigilant at all times to avoid any real or apparent conflict of interest in accepting sponsorships. (Refer to Policy G-380 Conflict of Interest and Declaration.)

Brand Preservation

The sponsorship must enhance, not impede, MLHU's ability to act in the best interest of the public. Agreements shall not in any way invoke future consideration, influence or be perceived to influence the day to day operations of MLHU. MLHU will maintain complete control of all funds provided from sponsors. MLHU's intangible intellectual assets,

including name and logo, will be protected at all times. Sponsors will not be permitted to use MLHU's name or logo for any commercial purpose or in connection with the promotion of any product. MLHU will not provide product or service endorsements or allow commercial product promotions. Use of the MLHU logo by other agencies must be approved by Communications.

MLHU aims to preserve and protect its image and reputation at all times, and therefore, will not solicit or accept sponsorship from companies whose products or services are inconsistent with MLHU's mission, vision, values or health promotion messaging. In compliance with the World Health Organization (WHO) International Code of Marketing of Breast-Milk Substitutes, corporations in the production or distribution of breast milk substitutes will not be considered for sponsorship under any circumstances. Consideration can be given to subsidiary companies as long as the parent company is not promoted.

Impact Assessment

There may be legal, administrative, professional practice or other considerations (e.g. labour relations, budget, resourcing, health promotion messaging etc.) that should be reviewed and clarified before entering into any type of sponsorship agreement. (Refer to Appendix A Corporate Sponsorship Assessment Form and Appendix B Corporate Sponsorship Agreement/Contract.)

Sponsorship Agreements

All sponsorship opportunities must be reviewed by the Division Director with consultation as appropriate, before any agreement is signed. Execution of any sponsorship agreement must comply with Policy G-200 Approval and Signing Authority. All sponsorships regardless of their value must have a signed agreement, which clearly outlines the responsibilities of all parties.

Sponsorship agreements that are entered into which span greater than one year, are to be evaluated on an annual basis by the **Assistant Director**, Finance to ensure that the criteria have been met, and will continue to be met. Any changes by MLHU to the sponsorship agreement will be forwarded to the appropriate authorizing person as per Policy G-200 Approval and Signing Authority.

When activities are planned in partnership with other organizations, and a sponsorship agreement is involved, consensus about the corporate sponsorship must be achieved among all partners. All parties must sign off on the sponsorship agreement.

How the sponsor is recognized or acknowledged must be included in the sponsorship agreement.

Solicitation

The solicitation process for sponsorship does not need to follow the competitive procurement process for quotes. Any other situations that are an exception to this Policy will be reviewed by the **Chief Executive Officer (CEO)** and the Board of Health if required.

DEFINITIONS

“Charitable Donation” A free or philanthropic contribution or gift, usually to a charity or public institution. It could be in the form of goods, services or funds given with expectation of a tax receipt.

“Corporate Sponsorship” Is a marketing-oriented, contracted partnership between a corporation and a not-for-profit organization with obligations and benefits to both parties. What distinguishes corporate sponsorship from a charitable donation is the expectation for corporate recognition. A corporation may choose to sponsor an organization on a short or long-term basis by providing funding, goods or services. Corporations may use sponsorship as a deductible business expense. Examples of corporate sponsorship are:

- Donating products for contests
- Printing of materials
- Donating supplies, equipment, food or people
- Providing mailing services
- Funding for specific programs or activities
- Providing meeting space
- Naming rights

“Sponsorship Arrangement” Is a business arrangement whereby the partner commits resources (monies and/or in-kind resources) to support a specific project or activity, but does not share in the profits or underlying risks of the project. The partner contributes funds to an event, program or even a capital project and receives a benefit (e.g., specific image and marketing opportunities) from the associated publicity.

“Sponsorship Agreement” The document which outlines the terms and conditions of the Sponsorship Arrangement and outlines the responsibilities of all parties.

“Endorsement” A formal and explicit approval or a promotional statement for a product or service of a corporation.

“Naming Rights” A type of sponsorship in which an external company, organization, enterprise, association or individual purchases the exclusive right to name an asset or venue (e.g., a library building, sports facility or part of a facility - an ice pad within a multi-pad facility, etc.) for a fixed or indefinite period of time. Usually naming rights are considered in a commercial context, which is that the naming right is sold or exchanged for significant cash and/ or other considerations under a long-term arrangement.

“Solicitation” Act or instance of requesting or seeking bid, business, or information.

APPENDICES

Appendix A – Corporate Sponsorship Assessment Form
Appendix B – Corporate Sponsorship Agreement

RELATED POLICIES

G-320 Donations
G-330 Gifts and Honoraria
G-200 Approval and Signing Authority

DONATIONS

PURPOSE

To provide guidance on the acceptance and solicitation of donations to ensure all donations and interactions with donors/prospective donors are appropriate, ethical and consistent with the organization's values.

POLICY

The Middlesex-London Health Unit (MLHU), while having charitable status, does not actively solicit donations. However, it may from time to time receive donations from the public or other organizations.

Responsibility to the Ministry of Health and Long-Term Care (MOHLTC)

Although MOHLTC encourages agencies to raise funds, ministry funds cannot be used to support fundraising activities (e.g. salary for a fund raiser, supplies, advertising). Any fundraised dollars must be accounted for separately on the agency's audited financial statements. A reasonable amount of time spent at planning meetings is acceptable and would not be considered a fundraising activity.

Responsibility to Donors

MLHU must ensure that any donors or prospective donors are treated in an ethical and responsible manner at all times. At no time shall MLHU exert undue pressure or influence on a donor or prospective donor. If there is any perceived conflict of interest with MLHU, when dealing with a donor or prospective donor, that conflict of interest will be declared to the **Chief Executive Officer (CEO)**, and the donor or prospective donor will also be made aware of the conflict of interest.

Consultation

MLHU will encourage donors to consult with professional advisors of their choice, **as well as with family members** prior to making a donation to ensure that the donor will not be disadvantaged by the donation.

Restricted Donations

MLHU shall, at all times, honour the conditions of donations accepted. Should the purpose for which the donation was made change, every attempt will be made to

discuss the change with the donor. If the donor cannot be contacted, the CEO will realign the use of the donation, meeting as closely as possible, the donor's original intent. If the donor's wish is to remain anonymous, MLHU will maintain anonymity. Otherwise, MLHU will ensure that the donor is appropriately recognized.

Receipts

A receipt will be issued to the donor for the value of the donation in accordance with Canada Revenue Agency (CRA) guidelines. All donor information will be kept in accordance with Policy G-100 Privacy and Freedom of Information.

Accepting Donations

Gifts of cash (i.e. currency, cheques or electronic fund transfers) can be received directly or through bequests. These donations can be for general purposes or can be in support of a specific item, program or service, either capital or operational in nature.

While MLHU cannot accept donations of securities or real estate, a donor can be informed that if they convert the securities or real estate into cash, MLHU will be able to accept the donation.

Gifts in-kind are evaluated and accepted (or declined) based on need, ongoing maintenance requirements, suitability, storage and liability, amongst other criteria. Depending on the donor's wishes, MLHU may return the gift, or retain and sell it using the proceeds where they are needed most.

In accordance with Canada Revenue Agency (CRA) Guidelines, it is the donor's responsibility to have the value of the property appraised for receipting purposes. MLHU will issue a receipt in accordance with CRA guidelines.

Declining Donations

MLHU shall decline any donation where one or more of the following may be true:

- Restrictions attached to the donation are not consistent with the mission, values or programs of MLHU. In compliance with the World Health Organization (WHO) International Code of Marketing of Breast-Milk Substitutes, corporations in the production or distribution of breast milk substitutes will not be considered for receiving donations. Consideration can be given to subsidiary companies as long as the parent company is not promoted.
- Restrictions attached to the donation would cause undue hardship on MLHU.
- The donor is attempting to unduly influence MLHU.
- The donation is from illegal sources.
- The donation is from a group whose ethics or business practices are inconsistent with the mission, values or programs of MLHU.
- Donations of material property for which no reliable valuation can be made.
- Donations that jeopardize the charitable status of MLHU.

- Donations with undue physical or environmental hazards associated with them.
- Donations that could improperly benefit an individual.
- Donations that could harm the reputation of MLHU.

DEFINITIONS

“Bequest” refers to the act of receiving personal property through a will.

“Conflict of Interest” means any event (whether actual or perceived) in which MLHU or anyone representing MLHU may benefit from knowledge of, or participation in, the acceptance of a donation.

“Donation/Gift (Cash)” means a voluntary transfer of personal property from a donor to a recipient. The transaction shall not result directly or indirectly in a right, privilege, material benefit or advantage to the donor or to a person designated by the donor.

“Gift-in-Kind/In-Kind Gift” means a donation of property, goods or services other than cash. An independent qualified appraiser typically determines the fair market value of the gift.

“Personal Property” means anything that is not cash, securities or real estate. Personal property includes, but is not limited to, artworks, automotive vehicles, rare books and equipment.

“Professional Advisors” means professionals external to MLHU with the ability to provide expert tax, legal or financial planning advice to donors (or prospective donors) on their charitable giving, including lawyers, financial planners, insurance agents, trust professionals, accountants, or investment advisors.

“Restriction” is a condition imposed on the use of a gift/donation.

“Securities” are equity or debt instruments listed on a public exchange.

RELATED POLICIES

G-200 Approval and Signing Authority

G-330 Gifts and Honoraria

G-310 Corporate Sponsorship

GIFTS AND HONORARIA

PURPOSE

To provide direction on the acceptance and offering of gifts and honoraria by Middlesex-London Health Unit (MLHU) employees and Board of Health members.

POLICY

Gifts

MLHU employees/Board members shall not accept the use of property or facilities (e.g. a vehicle, office or vacation property) at less than fair market value or at no cost; or accept, solicit, offer or agree to accept a commission, fee, advance, cash, gift, gift certificate, bonus, reward or benefit that is connected directly or indirectly with the performance of their duties, unless permitted by one of the following exceptions:

- Gifts that are received as an incident of protocol or social obligation that normally and reasonably accompany the responsibilities of office;
- Token gifts such as souvenirs, mementoes and commemorative gifts that are given in recognition of service on a committee for speaking at an event or representing MLHU at an event;
- Food and beverages consumed at lunches, dinners, charity, fundraisers, banquets, receptions, ceremonies or similar events if the individual's attendance serves a legitimate organizational purpose, the value is reasonable and the invitations infrequent;
- Communications to the offices of an employee/Board member including subscriptions to newspapers and periodicals;
- Compensation authorized by law;
- Political contributions that are offered, accepted and reported in accordance with applicable law;
- Services provided without compensation by persons volunteering their time;
- Gifts of admission to dinner, charity fundraisers, banquets, receptions, ceremonies, cultural events, sporting events, business galas, political events and similar events if the employee/Board member's attendance serves a legitimate organizational purpose;
- Reasonable payment for participation in or organizing any reception, dinner, gala, golf tournament, or similar event to support charitable causes or fundraising event and food, lodging, transportation or entertainment from a not for profit non-government organization.

For the purposes of this policy a commission, fee, advance, cash, gift, gift certificate, bonus, reward or benefit provided with the employee/Board member's knowledge to a member's spouse, child or parent or to an employee/Board Member's employee that is connected directly or indirectly to the performance of their duties is deemed to be a gift to that employee/Board member.

Within 30 days of receipt of any gift described in the exceptions above where the value is equal to or greater than \$100, or where the total value of such gifts received from any one source during one calendar year is equal to or greater than \$500, the employee/Board member shall file a Disclosure Statement (Appendix A) with their respective director/the **Treasurer** of the Board of Health. These details should then be reported to the **Assistant Director**, Finance.

Every disclosure statement is a matter of public record and shall indicate:

- The nature of the gift;
- Its source and date of receipt;
- The circumstances under which it was received; and
- Its estimated value.

Honoraria

As part of their public service, employees/Board members may prepare and/or deliver health unit-related programs or information to community organizations. In these situations, the receiving organization may provide a nominal amount of remuneration to the MLHU employee/ Board member in appreciation and recognition of the service delivered. Honorarium payments can be in the form of cash or gift cards and must be limited to a maximum value of \$500. Notable exceptions might be for a distinguished or recognized professional key note address at a major event, conference or fundraising activity. When an honorarium is received, the employee will turn the payment over to their immediate supervisor, or in the case of a Board member, the Treasurer of the Board of Health. Funds received will be used to purchase resources within the Division, or the Board expenses budget.

Within 30 days of receipt of any honorarium where the value is equal to or greater than \$100, or where the total value received from any one source during one calendar year is equal to or greater than \$500, the employee/Board member shall file a Disclosure Statement (Appendix A) with their respective director/the **Treasurer** of the Board of Health. The director/ **Treasurer** will then report the disclosure to the **Assistant Director**, Finance.

Every disclosure statement is a matter of public record and shall indicate:

- The nature of the honoraria;
- Its source and date of receipt;
- The circumstances under which it was received; and
- Its estimated value.

As part of their public service, other community organizations may prepare and/or deliver programs or information to employees/Board members. In these situations, MLHU may provide a nominal amount of remuneration to the community organization in appreciation and recognition of the service delivered. Honorarium payments can be in the form of **cash** or gift cards and must be limited to a maximum value of \$500. Notable exceptions might be for a distinguished or recognized professional key note address at a major event, conference or fundraising activity. Approval to provide an honorarium must be received from the respective director from an approved budget or the **Treasurer** of the Board of Health as applicable.

Accurate records must be maintained in order to demonstrate the reasonableness and appropriateness of any honoraria. Awarding honoraria must be compliant with Canada Revenue Agency (CRA) rules.

APPENDICES

Appendix A – Gifts and Honoraria

DEFINITIONS

“Gift” refers to something acquired without compensation. This would include, for example, a meal, flowers, gift cards, gift certificates, or a ticket to a special event.

“Honorarium” is an ex gratia payment made to a person for their services in a volunteer capacity or for services for which fees are not traditionally required. It is typically a small payment made on a special or non-routine basis.

Governance By-law and Policy Review Status and Recommendations

October 8, 2021

Document Name	Last Review	Status	Recommended Changes	For Review at Governance Committee Meeting
G-000 Bylaws, Policy and Procedures	17/06/2021	Current		
G-010 Strategic Planning	17/06/2021	Current		
G-020 MOH/CEO Direction	02/27/2020	Current		
G-030 MOH and CEO Position Descriptions	10/16/2021	Current		
G-040 MOH/CEO Selection and Succession Planning	10/19/2017	On Hold Review Pending		
G-050 MOH and CEO Performance Appraisal	10/16/2021	Current		
G-080 Occupational Health and Safety	09/16/2021	Current		
G-100 Information Privacy and Confidentiality	03/21/2021	Current		
G-120 Risk Management	10/16/2021	Current		
G-150 Complaints	04/15/2021	Current		
G-160 Jordan's Principle	17/06/2021	Current		

Document Name	Last Review	Status	Recommended Changes	For Review at Governance Committee Meeting
G-180 Financial Planning and Performance	09/19/2019	Reviewed	<p>Minor edits highlighted in yellow.</p> <p>*Removed all references to Ministry of Health and Long-Term Care as these are now separate.</p> <p>To discuss with the CEO: will there be a change in the budget process from PMBA to zero-based budgeting?</p> <p>*Language proposed in the policy to include zero-based budgeting.</p>	November 18, 2021
G-190 Asset Protection	09/19/2019	Reviewed	Minor edits highlighted in yellow.	November 18, 2021
G-200 Approval and Signing Authority	11/21/2019	Reviewed	<p>Minor edits highlighted in yellow.</p> <p>Revisions to App B: Non-Financial Signing Authority to align with MOH and CEO role separation; *Board of Health – can any member of BOH sign? Should it just be the Chair(s) of BOH and FFC? Addition of IT/data-sharing/software agreements to the list</p>	November 18, 2021
G-205 Borrowing	04/15/2021	Current		
G-210 Investing	09/19/2019	Reviewed	Minor edits highlighted in yellow.	November 18, 2021
G-220 Contractual Services	11/21/2019	Current	<i>To be circulated to Governance Committee Members for review on November 15, 2021.</i>	
G-230 Procurement	11/21/2019	Current	<i>To be circulated to Governance Committee Members for review on November 15, 2021.</i>	
G-240 Tangible Capital Assets	09/19/2019	Reviewed	Minor edits highlighted in yellow.	November 18, 2021
G-250 Reserve and Reserve Funds	11/21/2019	Current	<i>To be circulated to Governance Committee Members for review on November 15, 2021.</i>	

Document Name	Last Review	Status	Recommended Changes	For Review at Governance Committee Meeting
G-260 Governance Principles and Board Accountability	04/15/2021	Current		
G-270 Roles and Responsibilities of Individual Board Members	04/15/2021	Current		
G-280 Board Size and Composition	10/16/2021	Current		
G-290 Standing and Ad Hoc Committees	02/27/2020	Current		
G-300 Board of Health Self-Assessment	10/16/2021	Current		
G-310 Corporate Sponsorship	09/19/2019	Reviewed	Minor edits highlighted in yellow.	November 18, 2021
G-320 Donations	09/19/2019	Reviewed	To be discussed: Remove the requirement to have donors consult with family members prior to making a donation.	November 18, 2021
G-330 Gifts and Honoraria	09/19/2019	Reviewed	Minor edits highlighted in yellow.	November 18, 2021
G-340 Whistleblowing	06/18/2020	Current		
G-350 Nominations and Appointments to the Board of Health	10/16/2021	Current		
G-360 Resignation and Removal of Board Members	09/16/2021	Current		

Document Name	Last Review	Status	Recommended Changes	For Review at Governance Committee Meeting
G-370 Board of Health Orientation and Development	10/16/2021	Current		
G-380 Conflicts of Interest and Declaration	02/27/2020	Current		
G-400 Political Activities	06/17/2021	Current		
G-410 Board Member Remuneration and Expenses	10/16/2021	Current		
G-430 Informing of Financial Obligations	04/15/2021	Current		
G-470 Annual Report	10/16/2021	Current		
G-480 Media Relations	10/16/2021	Current		
G-490 Board of Health Reports	10/16/2021	Current		
G-B10 By-law No. 1 Management of Property	10/16/2021	Current		
G-B20 By-law No. 2 Banking and Finance	10/16/2021	Current		
G-B30 By-law No. 3 Proceedings of the Board of Health	07/16/2020	Current		
G-B40 By-law No. 4 Duties of the Auditor	10/16/2021	Current		