# Questions and Answers – Session 1: Getting Started

**Q 1: In very small FHTs there are not very many people to delegate to... so the board can end up doing more DO-ing. Do you have suggestions?**

A: This is definitely the reality for small FHTs, as it is for other small organizations. To assist the Board, the Executive Director often shoulders much of the load. Setting annual priorities and paring them down as necessary are strategies used by some FHTs. As well, you may consider inviting community members to sit on Board Committees. In addition to bringing on more people to assist in the work of the Board, it also broadens the expertise and skills that the Board can draw on.

**Q 2: Do you have examples of Board Performance Measures other than attendance at meetings?**

A: There are many Board Performance Measures that you might consider using. Some examples of performance measures include:

- The Board identifies the skills and qualities that are required to perform the Board's role
- The Board has clear and transparent recruitment practices for new directors.
- New Board members are recruited on the basis of skills, knowledge, experience and required qualities
- Board terms allow for Board turnover to appropriately balance board continuity and new contributions
- There is clear understanding of where the Board's role ends and the Executive Director's begins
- The Board provides direction to the ED by setting new policies or clarifying existing ones
- The Board has developed formal criteria and a process for evaluating the ED

The Fundamentals of Governance Toolkit on the AFHTO website has sample Board Evaluation tools that will be helpful.

**Q 3: How many board committees do small FHTs have? Our team wants to keep folding our committees into each other?**

A: Very small FHTs (3 – 5 MDs, up to 5 Board members) may be best served by NOT developing committees of the Board. Rather, it may be more efficient and effective to deal with Board matters as a "Committee of the Whole". That is, the full Board acts together on all Board issues. There is no hard and fast rule about how many committees your FHT should have. The Ministry requires that there be a Board structure to deal with quality improvement, audit,

human resources, and information management. This can be done as a Committee of the Whole, or if your FHT Board is large enough, your FHT may have a number of committees that could include Audit and Finance, Human Resources, Governance, Nominations etc.

**Q 4: How do you suggest structuring the staff participation in Quality improvement committee work versus working on the actual projects? We have staff on our QI committee and have added a board member.**

A: Typically the Quality Improvement Committee of the Board is involved in a) establishing and understanding the quality improvement goals and objectives and b) monitoring progress toward those goals and objectives. Staff are usually responsible for the actual work that is required to meet the goals. This may require ongoing discussions between the staff and the physicians (e.g. the FHO), and certainly the active cooperation of both staff and physicians to do their respective parts. A staff committee with responsibility for implementing quality improvement measures may have physician and/or Board representation. This is not a Board Committee, but can be an effective way to ensure that QI initiatives are implemented. However, it is important that at the Board there is either a Committee or a mechanism for reporting to the entire Board, so that the Board is involved in monitoring and oversight.

**Q 5: Are there specific rules about what can go into an in camera session (I know municipalities have a very specific set of rules).**

A: *In camera* means "in private". It is a meeting, or a portion of the meeting, where one or more of the people in attendance are excused. Sometimes Boards may need to discuss matters that need to be kept confidential or private. These can include personnel items like salaries, the Executive Director's performance, handling of conflict of interest situations, personal health information of an individual, or legal issues. There are no specific rules about this for FHTs and NPLCs, so it is incumbent on the Board to be aware of issues that should be kept confidential and to deal with those issues only in *in camera* sessions.

**Q 6: What are some reasons FHTs are reducing the size of their Board of Directors**

A: There is no "one size fits all" for FHT/NPLC Boards.

FHTs and NPLCs should periodically review the size and membership of their Board to ensure that they are conducive to effective decision-making. When a board is too large, its members may lose a sense of personal accountability for decision-making. As well, it is difficult to keep all Board members engaged and active when the Board is too large. The larger the Board, the more difficulty the FHT/NPLC may have attaining quorum. When a Board is too small, Board members may be stretched too thin.

**Q 7: What is involved in changing a bylaw? Does the lawyer need to be involved? For example, we want to change from a provider led board to a mix model.**

A: The provisions for amending a bylaw will be laid out in your existing Bylaw. Provisions may include requirements for advance notice, a motion and recommendation from the Board, and a two-thirds majority vote of the membership. The Bylaw amendment must be voted on at the AGM, or special meeting called for the purpose. It is not essential to involve a lawyer, though it is prudent to have a lawyer review the wording of any proposed amendment.

**Q 8: It is anticipated that the Not-For-Profits Corporation Act will/has become effective in the future. The FHT will need to amend its governing documents (e.g. letters patent, and by-laws) to conform to the new legislation. Is this the case? Is AFHTO providing any assistance in this area? What is time period to amend?**

A: New legislation is anticipated but it has been delayed and may not be in force before 2017 at the earliest. If/when the legislation comes into force, you will need to review your Bylaw, particularly your membership categories. Given the uncertainty around enactment of this legislation, AFHTO will monitor the need for the provision of information and support to its members.

**Q 9: How do you motivate board members to participate in training?**

A: We suggest that you make the board training as accessible and relevant as possible in order to encourage participation. One strategy is to devote a few minutes at each Board meeting to training and development. Another strategy is to invite resource people in to your organization rather than necessitate Board members attending external meetings that may require increased time commitment. Making the connection between good governance and quality of service to patients can be a motivator for Boards.

**Q 10: When boards engage staff - how do we prevent the board from diving into operations or becoming a repository for complaints?**

A: This is a common challenge for not-for-profit Boards. In our experience, Board members "dive into operations" for a couple of reasons. First – they may not understand or differentiate their role from that of the executive director and staff. Secondly, they may be most comfortable in operations since this is what they are most familiar with.

Ensuring that Board members have reviewed, discussed and understood their roles and responsibilities is an important first step. Having clear policies and procedures that delineate roles and responsibilities is another important factor. The Board Chair should help educate and

support Board members in the appropriate fulfillment of their role, while the Executive Director should ensure that staff are clear about policies and procedures for communicating with the Board.

**Q 11: In a physician provider-led board of FHT is it a conflict of interest to allow NPs who are on staff to belong to the board and/or hold critical board positions like Board Chair? Do staff members of an FHT who are part of the Board have a vote? Or is this also a conflict of interest?**

A: Having staff as Board members is not considered best practice. There is an inherent conflict of interest in having staff on the Board, given that staff report to the Board (through the Executive Director). Staff as Board members will be constantly having to recuse themselves from discussions related to setting policies and procedures, salaries, working conditions etc. that affect their work.

Sometimes the executive director will be a non-voting Board member in an ex officio capacity – i.e. by virtue of holding the position of executive director, s/he is a non-voting Board member.

**Q 12: Can you review the voting responsibilities of Board Chair?**

A: The voting responsibilities of the Board Chair will be outlined in your Bylaw. The most common voting responsibilities will be:

a) The Board Chair holds the same right to vote as other board members;
b) The Board Chair does not vote, except if there is a tie vote, in which case the Chair casts the deciding vote; or
c) The Board Chair holds the same right to vote as other board members but in the case of a time casts a second ballot to decide the vote.

**Q 13: The FHT and FHOs for example are separate organizational entities. The FHO's refuse to sign agency agreements between the FHT and themselves for services etc. Thoughts?**

A: The majority of FHTs have come to view the harmonization of policies, procedures and practices between the FHT and FHOs as essential for the effective operation of their practices and the FHT. Reluctance on the part of the FHOs may be related to fear of loss of autonomy. Finding the common ground can make the process of harmonization a little easier, as can positioning the issue in the context of what's best for the patient. The need to look at improving harmonization emerged out of AFHTOs survey with leaders of member organizations last October – and is a key focus of work for the Governance and Leadership Advisory Committee going forward.

**Q 14: Strategic Plans - I talked to my Ministry Consultant just this week to get some funds reallocated to strategic plan consulting and she said that as a physician governed FHT, the**

**MDs should pay for half of the costs. Our MDs are paying for some only because we combined it with the family medicine teaching unit strategic plan. Is it the expectation now that physician-sponsored FHTs should pay for half? Or we may need to take this back to the Ministry table for verification?**

A: This seems to be a departure from current practice regarding funding for strategic planning. AFHTO will include this item for clarification at the next AFHTO/Ministry meeting.

**Q 15: Could you elaborate on how to conduct an annual board evaluation? Is this something you share back with the board at a meeting - or as long as there are not been issues just move on.**

A: (Excerpted from AFHTO's "*Fundamentals of Governance*") Board evaluations should assess performance on a number of dimensions including board process, achievement of goals, and whether or not the board is meeting its fiduciary and strategic obligations.

There are a number of options for undertaking a board evaluation process. The evaluation can include the full board evaluation, committee evaluation, self-evaluation, and/or peer evaluation. Leading practice suggests that at a minimum the board should evaluate its own performance. Sometimes the board may engage an independent firm to conduct the evaluation for reasons of expertise and impartiality, but smaller organizations will often conduct them internally to reduce costs.

Board evaluations should take place annually. The steps in evaluation include:

- Developing or identifying an evaluation framework and tool that reflects the principles of good governance and the priorities of the FHT/NPLC. The tool might be a survey that individual board members complete. Or it could be face-to-face interviews between the board chair and individual directors with a series of questions. Some sample tools are included in the "*Fundamentals of Governance*"
- Completion of the evaluation by Individual board members
- Tabulating and analyzing the results of the evaluation and preparing a report for discussion. This can be handled by the board chair, by an external party, or by a sub-committee of the board. Remember that directors need to feel secure that their observations will be held in confidence. Results should be reported in summary form and not attributed to any one director
- Developing strategies to improve performance and including this as part of the board's annual work plan

Evaluation of board performance can contribute to continuous learning and continuous quality improvement. Using the results of the evaluation, the board may set goals to address shortcomings, establish stretch goals for governance effectiveness, or pursue individual or group training and development.

The board chair may use the results of the evaluation to establish a board education agenda and schedule for the year.

**Q 16: We have a mixed governance board. If all physicians should be "members" of the board, are they to be legally connected...are they to be added as "members" in our minute book? Could you speak a little more around this for clarification?**

A: There is often confusion with the term "member". The people on the board are often called "board members" which really means "board directors". The people who are part of the corporation are also referred to as "members".

All physicians do not need to be "members" (i.e. directors) of the board. Your Bylaw will define who the members of your FHT/NPLC are.

In a physician-led FHT, the corporation's members are typically the physicians in the physician association (e.g. Family Health Organization). The Board is then made up of people elected from the membership and who meet the requirements and obligations of membership as defined by your bylaw.

A FHT/NPLC with mixed governance has a corporate membership that is a mix of people from the community and provider groups. Board directors are elected from this corporate membership. In addition to physicians who are part of the physician association, mixed governance boards may include individuals from the community and/or from organizations such as the hospital, university, agency or municipality.

In a FHT with a community-based board, members of the corporation and those elected as board directors are people from the community who have specific interest in the organization's mission, and skills and/or expertise relevant to the organization.

**Q 17: Are there tools in toolkit for evaluating the ED?**

A: AFHTO's "*Fundamentals of Governance"* resource on the website includes a section on Executive Leadership - Executive Director Performance Evaluation. In this section you will find information on:

- How to undertake a performance evaluation
- What is important to consider
- The risks of not doing a performance evaluation

There is no sample tool provided for ED evaluation. This issue will be dealt with in more detail in the upcoming Executive Director Resources Toolkit, coming soon from AFHTO.

**Q 18: Will we discuss in future sessions, Compliance Reports? Reports where EDs acknowledge to the Board that all employee and financial regulations and legislations have been complied with.**

A: AFHTO's "*Statutory Compliance Toolkit"* resource on the website gives an overview of the laws that apply to FHTs/NPLCs and the duties of Board members. The resource also includes an appendix with a sample statutory compliance audit checklist to help Executive Directors keep track of compliance activities and report to the Board.