



Board of Directors Charter

Purpose of the Board of Directors Charter

This OMA Board Charter:

1. Sets out the Mission, Vision, and Core Values of the OMA
2. Sets out the role of the Board of Directors
3. Provides a summary of the composition of the Board
4. Outlines the general duties and responsibilities of the Board
5. Outlines the specific duties and responsibilities of the Board
6. Outlines Board accountability to members
7. Outlines the Board's delegation of authority
8. Defines the relationship between the Board and the OMA stakeholders
9. Defines the relationship between the Board and the OMA staff team
10. Reviews the right for information and independent advice
11. Reviews the limitations on the Board's duties

1. Vision, Mission, Core Values of the OMA

The Board of Directors will always uphold the Vision, Mission and Core Values of the

OMA: Vision: To be the trusted voice in transforming Ontario's health care system

Mission: Advocate for and support doctors. Strengthen the leadership role of doctors in caring for patients

Core Values:

Respectful

We treat everyone with dignity and value diverse experiences and perspectives

Innovative

We seek opportunities to be creative and explore future possibilities

Bold

We courageously pursue best practices, new ideas, solutions, and opportunities to improve

Responsive

We listen to understand and connect

Transparent

We are genuine and candid in our interactions, and we hold ourselves accountable

2. Mandate of the Board of Directors

The Board of Directors (the “Board”) is a group of elected physicians and non-physicians responsible for the supervision of the core activities of the OMA. Acting on behalf of its members, the Board is responsible for the governance of the OMA and is the highest decision-making authority within the organization.

The Board provides oversight for the management of the business and ensures that all significant systems and procedures are in place for the organization to run effectively, efficiently, and meet all legal and contractual requirements.

The Board develops the OMA’s approach to corporate governance, including a set of governance principles, policies, guidelines and structure specifically applicable to the OMA which will improve the effectiveness of the Board. The Board oversees all affairs of the OMA and exercises, as appropriate, the powers vested in the Board as per the OMA By-Laws, governance policies and all applicable laws and regulations.

The overarching role of the Board focuses on governance and stewardship rather than on running the day-to-day operations of the OMA, which is the responsibility of Management. The Board respects this distinction between the role of the Board and staff. The Board seeks to approve or reject Management recommendations and refrains from directing or instructing Management.

3. Composition of the Board

The Board is comprised of a varied mix of skills, expertise, and diversity critical for effective oversight of the management of the OMA. Board Directors are elected by the OMA membership based on a standardized OMA candidate recruitment process. Each Board Director will possess, or develop, the requisite skills and will have access to the necessary tools required for their effective performance.

The OMA Board includes:

- Eleven Directors composed of 8 physicians and 3 non-physicians
- A Board Chair and Vice-Chair, elected by Directors from among the Directors
- A President, who will also be one of the eleven voting Directors
- A President-Elect, elected by the members, who will sit as an Observer for one year
- An Immediate Past President who will sit as an Observer for one year

4. General Board Duties and Responsibilities

The Board of Directors, as individuals and as a collective, exercises its duties of oversight, care, skill, diligence, integrity, and loyalty to ensure effective, efficient, and agile Board performance that leads to OMA mission realization. Directors of the OMA govern with the goal of enhancing executive decision-making and improving the performance of the organization in serving its members.

The Board duties include the following:

- Provide oversight to the CEO's management of OMA business and the integrity and effectiveness of all affairs of the OMA
- Exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances, including attentive, thorough, and careful effort in executing its responsibilities
- Consistently be guided by high integrity and ethics when executing its responsibilities
- Act in good faith and demonstrate loyalty to the OMA and its membership
- Protect the best interests of the OMA as a whole and not the interests of any specific stakeholder entity or constituency

In addition, the Board of Directors delivers on the following general responsibilities:

- Uphold the Vision, Mission and Core Values of the OMA
- Provide unifying and inspiring leadership for the OMA
- Approve the PSA negotiations mandate with input from the General Assembly
- Secure a proposed PSA and forwards to members for ratification
- Oversee CEO recruitment, support, and accountability
- Lead the strategic planning process with the CEO, Senior Management Team, and with input from the General Assembly
- Oversee financial performance and reporting
- Oversee Board Committees, Task Forces and Working Groups
- Oversee risk management
- Oversee human resource policy
- Oversee compensation policy
- Oversee governance policy
- Oversee Board and Board Director performance and evaluation

5. Specific Duties and Responsibilities of the Board

1. Governance

The OMA Board oversees the development and implementation of an efficient and agile governance framework for the OMA and provides governance oversight as listed in the sections above.

- Ensures that the Board adheres to applicable laws, regulations, OMA By-laws, charters, and policies, and oversees all governance
- Adopts and monitors compliance of the OMA Code of Conduct that is applicable to Directors, Officers, and employees of the OMA
- Speaks with one voice once Board decisions have been made
- Oversees that the OMA Governance Policy Manual is up-to-date, consistent with best practices, and contains all relevant governing policies as endorsed by the Board of Directors
- Engages in meaningful consultation with the General Assembly when proposing any amendments to OMA governance policies.

2. Financial Planning, Reporting and Disclosure

The Board ensures that:

- The OMA meets all financial reporting and disclosure obligations according to applicable laws, regulations, rules, governance policies and other requirements relating to financial reporting and disclosure by governments and regulatory agencies
- Adequate financial resources are in place for the organization to fulfill its mission
- The organization has a suitable annual budget and that proper financial controls are in place
- All annual and interim financial statements fairly represent the OMA's financial position, the results of its operations and its cash flows in accordance with Canadian generally accepted accounting principles

- The OMA’s annual financial statements are audited and reported on by a firm of Chartered Professional Accountants which is objective and independent, including:
 - a. Overseeing the nomination of a firm of Chartered Professional Accountants for appointment as the external auditor of the OMA by Members
 - b. Determination of the compensation of the external auditor
- Material financial information concerning the OMA is accurate and complete and disseminated to Board Directors in a timely manner.

The Board may consider delegating to a Board committee (a Finance and Audit Committee or “FAC”) the responsibility to perform any of the tasks in this financial section and to make recommendations to the Board concerning them. The role of the FAC will be to assist the Board in gaining reasonable assurance that the OMA meets its financial reporting obligations.

3. Strategic Planning

The Board engages constructively with the CEO in setting the strategy of the OMA through a Strategic Plan. Specifically, the Board:

- Jointly develops and determines long-term goals and objectives which address important member and stakeholder needs and reflects the OMA’s sources of competitive advantage and any external threats
- Reviews, assesses and approves the OMA’s scope of business and program activities within which goals and objectives are to be achieved
- Jointly develops a new Strategic Plan if, at any time, the Board is of the opinion that the existing Strategic Plan is no longer appropriate or relevant
- Monitors the implementation of the Strategic Plan and the OMA’s progress toward achieving the goals, objectives, and measurement of success of the Strategic Plan at each Board meeting.

4. Communications

- The Board adopts a Spokesperson and Communications policy for the OMA, including a decision-making matrix that outlines a process to determine which spokesperson(s) delivers which message(s) to which audience(s).

5. Risk Management

The Board ensures that the CEO (and senior management) identifies current and future risks that may potentially cause harm to the OMA and takes steps to monitor and manage these risks.

6. Human Resources

The Board gains and maintains reasonable assurance that effective policies and practices are in place to enable the OMA to attract and retain talented staff to meet the goals and objectives of the OMA Strategic Plan.

The Board may consider delegating to a Board Committee (a Human Resources and Compensation Committee or “HRCC”) the responsibility to perform any of the tasks in this section and that the HRCC will make recommendations to the Board concerning these tasks.

As part of its Human Resources oversight responsibilities, the Board:

- Reviews and approves the major human resources policies and procedures of the OMA and any significant changes in them
- Reviews and approves the annual compensation budget for the OMA
- Reviews and approves the OMA’s comprehensive compensation and benefit programs (including annual incentive plans) for Management, in aggregate, with consideration of an appropriate combination of base salary, performance-based pay, rewards, and other compensation benefits
- Reviews and approves the benefit and pension programs of the OMA
- Establishes and approves the terms and conditions of the CEO’s employment by the OMA
- Maintains a job description for the CEO in conjunction with the Human Resources & Compensation Committee. This job description will reflect the Board’s delegation of the powers and authority to manage the business and affairs of the OMA to the CEO
- Selects and appoints a CEO who the Board believes can manage the business and affairs of the OMA in a manner which will enable the OMA to achieve the goals

and objectives of the OMA Strategic Plan

- Develops a process for the annual evaluation of the CEO
- Discharges the CEO when the Board believes he or she is no longer capable of managing the business and affairs of the OMA
- Establishes and communicates a policy which defines the limits of the CEO's powers, authority, and accountability to the Board in managing the business and affairs of the OMA – including spending and debt limits
- Gains and maintains reasonable assurance as to the integrity of the CEO and the other members of management, and that the CEO and the other members of management create and maintain a culture of integrity throughout the OMA
- Develops the criteria against which the performance of the CEO will be evaluated for compensation adjustments as follows:
 - Receive and review the CEO's annual report concerning their compliance with the human resources policies, procedures, and guidelines of the OMA
 - Conduct an annual performance review of the CEO against the performance criteria approved by the Board
 - Review the criteria recommended by the CEO against which the performance of members of senior management will be evaluated for compensation adjustments. Confirm that managers' compensation is linked to the achievement of the OMA's strategic goals and objectives
 - Annually review and monitor the CEO's plan for both CEO and senior management development and succession, making recommendations to the CEO, where appropriate
 - Provide the CEO with information concerning the Board's views on the performance of those staff members designated to support the activities of the Board
 - Confirm that the OMA has established and maintained effective policies and practices for training and continuously improving the skills of high potential managers and employees

- Review the results of the annual employee engagement survey
- Engage the services of an independent compensation consultant to assess the appropriateness of the OMA’s executive compensation every two years
- Ensure that appropriate HR support exists and enables the CEO to provide for an innovative and productive culture within the organization
- Gain and maintain reasonable assurance that the *Human Resources Compensation Philosophy* of OMA and its associated policies, procedures and practices are:
 - Being conducted effectively and in compliance with all applicable laws, statutes, and regulations
 - Reasonable and appropriate in the circumstances given the nature of the organization and its strategic plan
 - Sufficiently and accurately reported upon by the CEO to the Board
 - Appropriately and fairly rewarding strong performance by employees

6. Board Accountability to Members

The Board is accountable to members and recognizes, respects, and protects the rights of members. It ensures equitable treatment of all members regardless of constituency group affiliation. The Board provides members with information as required under all applicable law and will establish mechanisms for effective communication with members.

7. Board Delegation of Authority

All delegated authority emanates from the Board. The Board delegates certain powers to an officer or officers of the OMA to manage the business and affairs of the OMA:

- The Board delegates to the Chief Executive Officer of the OMA the powers and authority to manage the business and affairs of the OMA
- The Board assumes the duty to provide oversight to the CEO’s management of the business and affairs of the OMA.

The Board decides which authority is delegated to Board Committees and the CEO (and their management team).

The CEO must raise with the Board any matter of significance affecting the OMA which requires the Board's attention, including any matters which exceed the delegated authority to the executive management.

8. Board Relations with Stakeholders

The Board is accountable to its stakeholders and respects the legitimate interests and expectations of the OMA's stakeholders in its deliberations, decisions, and actions. The Board establishes effective communication with the OMA's stakeholders as appropriate and required.

9. Board Relations with Staff

The Board acts in a manner that values the contribution of management and staff of the OMA while respecting the needs of the membership. The Board expects to have direct, open, and clear communications throughout the year with the CEO and their senior management team and other key Board advisors as needed.

10. Information and Independent Advice for the Board

The Board has access to all OMA information, documents, and records that it determines is necessary to carry out its duties and responsibilities including but not limited to:

- OMA financial statements including honoraria and remuneration information
- All reports of advice from the CEO and their management team and,
- All reports from external counsel including a lawyer, accountant, consultant or any other advisor/professional

11. Board Relations with Stakeholders

In contributing to the Board's discharging of its duties under this Charter, each member of the Board is obliged only to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any

member of the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

The essence of the Board's duties is monitoring and reviewing to gain reasonable assurance (but not to ensure) that the *Oversight Duty* of the Board is:

- Being conducted effectively and in compliance with applicable laws, statutes and regulations
- Reasonable and appropriate in the circumstances given the nature of the organization and its strategic plan
- Sufficiently and accurately reported upon to members and all relevant stakeholders

Approved by the OMA Board of Directors: October 22, 2020