

Board Committee Report To: PSFDH Board of Directors

Submitted by: W. Bromm, Chair Governance Committee

Re: Governance Committee Report for Jan 13, 2026

For Board Approval

As directed by the Board in June 2025, the Governance Committee has completed a review of several issues related to PSFDH Board membership eligibility criteria. The Committee recommends that the following be approved by the Board:

- Two amendments to the Corporate By-Laws and related documents to strengthen and clarify eligibility criteria for Board Membership as outlined in appendix A, including:
 - A time limitation of 5 years on the exclusion of former employees and professional staff from Board membership. It was agreed the current permanent exclusion of all former employees and professional staff was unnecessarily broad and that a 5-year exclusion was a sufficient "cooling-off" period.
 - An explicit exclusion of Foundation employees, professional staff, Board Members and their families from Board membership except by resolution of the Board or as otherwise provided in the By-Laws. The latter would recognize our ex-officio foundation Board members.
- The addition of a definition of "ineligible person" in the annual Board Declaration Form and any other relevant documents to clarify the scope of the exclusion. The Committee recommends the definition be linked to *Federal Income Tax Act* sources so that those seeking a definition will be guided by original source material.

The Committee recommends that the Board **not** pursue additional amendments to the eligibility criteria on the understanding that further exclusions can be adequately dealt with through the recruitment/interview/selection process at the discretion of the Board, in particular:

- expanding the exclusion of current and former employees and professional staff of PSFDH to other Ontario hospitals.
- adding an exclusion based on real or apparent conflicts of interest
- adding an exclusion based on affiliation with a local Auxiliary supporting one of the hospitals
- adding an exclusion of locally elected office holders

The Committee further recommends:

- Board recruitment be undertaken for possible additional members to fill upcoming vacancies at the 2026 Annual General Meeting.
- Arrangements be made to fill the upcoming vacancy in the Board Chair position as follows:
 - Encourage interested candidates to speak to the Chair at their earliest opportunity
 - Direct interested candidates to confirm their self-nomination to the position to the Board Chair or the Chair of the Governance Committee by the end of February, 2026
 - Designate time in the Board meeting agenda in March 2026 for:
 - interested candidates to speak to the Board
 - the Board to confirm its selection of the Chair-elect by secret ballot (more than one candidate) or resolution (single candidate confirmation)
 - the Chair-elect be recommended for appointment to the position at the first Directors' meeting following the 2026 Annual General Meeting in accordance with Article 8.1 of the corporate By-Laws.

Appendix A

Proposed amendment to Article 3.3 subsection (a):

That paragraphs vii and viii of Article 3 subsection (a) be struck out and replaced with the following:

- vii. is a current employee or Professional Staff member of the Organization; except as provided under the *Public Hospitals Act* or the corporate By-Laws and except by resolution of the Board;
- viii. was an employee or Professional Staff member of the Organization at any time within the previous five year period; except by resolution of the Board;
- ix. is an employee, Professional Staff member or member of the Board for a Foundation supporting the Organization; except as provided under the *Public Hospitals Act* or the corporate By-Laws and except by resolution of the Board;
- x. is a spouse, child, or sibling of any person included in paragraphs vii, viii or ix except by resolution of the Board.