

MEETING OF THE UHN BOARD OF TRUSTEES

Wednesday June 22, 2022 12:00 PM – 12:45 PM

Via Video /Teleconference:

Microsoft Teams Meeting; 416-603-6338 Conference ID: 774 185 920#

Elected Trustees (Voting)

Brian Porter, Chair
Ross Baker
Todd Halpern
Stu Kedwell
Lawrence Pentland
Janet Rossant
Shirlee Sharkey
Barbara Stymiest
Ajay Virmani
Peter Wallace
Jaime Watt
Cornell Wright

Trustees Appointed by U of T Governing Council (Voting)

Trevor Young
Cheryl Regehr

Ex Officio Trustees (Non-Voting)

Kevin Smith, President & Chief Executive Officer
Pam Hubley, Interim Chief Nursing Executive
Sheryl Seidman, President of the Medical Staff Association
Patricia Murphy, Chair of the Medical Advisory Committee
Raj Kothari, Chair of the UHN Foundation Board

Regrets

Richard Rooney, Chair of the Princess Margaret Foundation Board
Dean Connor
Peter Menkes
Pamela Warren

Guests

Darlene Dasent, EVP & Chief Financial Officer
Lisha Hibbins, Corporate Governance Lead
Sarah Muttitt, VP & Chief Information Officer
Sheila O'Brien, EVP, People, Culture and Community
Rebecca Repa, EVP, Clinical Support and Performance
Marc Toppings, VP & Chief Legal Officer

Recording Secretary

Grace Ivo

Quorum – 40% of Voting Members or 7 Voting Members

1.0 BOARD BUSINESS

1.1 Call to Order

Mr. Brian Porter, Chair, called the meeting to order at 12:00 PM. Quorum was confirmed and no conflicts of interest were declared. The meeting Agenda was approved, as circulated:

***Whereas** the UHN Board of Trustees has reviewed the Agenda for its meeting held on June 22, 2022;*

***Be it resolved that** the UHN Board of Trustees approves the Agenda for its meeting held on June 22, 2022, as presented.*

1.2 Board of Trustees Meeting Minutes: April 27, 2022

The UHN Board of Trustees (the “Board”) approved the minutes of their April 27, 2022 meeting, as circulated:

***Whereas** the UHN Board of Trustees has reviewed the minutes of their meeting held on April 27, 2022;*

***Be it resolved that** the UHN Board of Trustees approve the minutes of its meeting held on April 27, 2022, as presented.*

1.3 Consent Agenda

The Board approved the items on the Consent Agenda, as pre-circulated in the meeting package, by unanimous consent:

***Whereas** the UHN Board of Trustees has reviewed the items presented in the Consent Agenda for its meeting of June 22, 2022;*

***Be it resolved that** the UHN Board of Trustees approves the items presented in the Consent Agenda for the meeting of June 22, 2022 by unanimous consent.*

The resolutions passed by the Board as part of the Consent Agenda are attached hereto as **Schedule A** and form part of these Minutes.

2.0 STANDING REPORTS AND COMMITTEE ITEMS

2.1 Chief Executive Officer’s Report

A detailed Chief Executive Officer (CEO) Report, inclusive of Enterprise Risk Management Update, was pre-circulated in the meeting package.

Dr. Kevin Smith, President & CEO, provided a verbal update at the meeting and the following was noted:

- **Provincial Election:** June 2 was Election Day in Ontario, with Premier Doug Ford being elected for a new mandate. UHN is looking forward to working with whomever is appointed Ontario's next Minister of Health to continue to advance care, research, and education activities across UHN.
- **COVID-19 Pandemic:** Ontario's Chief Medical Officer of Health lifted masking mandates in the province, with the exception of those in long-term care (LTC) and retirement home settings. Despite this, UHN is maintaining its current policy of mandatory masking at all sites, as well as, its mandatory vaccination policy for staff and essential care providers.

Dr. Smith concluded by acknowledging that Dr. Shaf Keshavjee is completing his term as Surgeon-in-Chief and has been appointed to a new position at UHN - Chief, Clinical Innovation and Scientific Director of Techna. A special tribute video was shared with the Board outlining Dr. Keshavjee's many accomplishments and contributions to research and patient care. The Board expressed gratitude to Dr. Keshavjee and congratulations on his new role.

2.2 Synapse Project Update

Dr. Sarah Muttitt, Vice President and Chief Information Officer, provided a verbal status update on the Synapse Project. It was noted that the Epic system went live on June 4, 2022, as planned. The go-live was successful and there were no issues beyond those already anticipated and usual for the type of installation. Most notably, there are no serious safety events associated with the transition to Epic.

The Board expressed appreciation for UHN leadership, the Synapse Project Team, and TeamUHN for their dedication and hard work to reach the go-live milestone on time and on budget, particularly given the ongoing pressures of the COVID-19 pandemic.

2.3 Governance & Nominating Committee

2.3.1 Amended Medical-Dental Staff By-Law

Mr. Marc Toppings, Vice President & Chief Legal Officer, provided an overview of proposed amendments to UHN's Medical-Dental Staff By-Law Number 2 (the "By-Law"), as pre-circulated in the meeting package. The following was noted:

- The proposed amendments are based on reviews of the following: (i) professional staff by-laws at other TAHSN hospitals; (ii) the Ontario Hospital Association's recommended template by-law; (iii) current practices and needs of medical leadership at UHN, together with identified shortcomings and/or gaps in the existing by-laws; and (iv) statutory requirements.
- The amended By-Law was reviewed by the Executive Leadership Forum, the Medical Advisory Committee ("MAC") Executive, and approved unanimously by the MAC and the Governance & Nominating Committee.

The Board approved the amended by-law and recommended approval by the Members of UHN:

Whereas UHN's By-Law Number 2 – A By-Law relating to the Medical Dental Staff of the Hospital (the "By-Law") was last reviewed and updated in 2017;

And whereas, based on legal and medical-dental leadership review, Management recommends certain amendments to the By-Law to align with legal requirements and corporate governance best practices;

And whereas the Medical Advisory Committee and the Governance & Nominating Committee have approved the amended By-Law and recommend approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the amended By-Law, as presented, and recommends approval of same by the Members of UHN.

2.4 Quality & Safety Committee

2.4.1 Quality & Safety Committee Report

Dr. Ross Baker, Chair of the Quality & Safety Committee, provided an update on matters overseen by the Committee, as pre-circulated in the meeting package. The following was noted:

- **COVID-19 Pandemic** – Clinical activity recovery remains a top area of focus; however, recovery efforts have been restrained by staffing shortages and lack of physical space. As a result, there is a growing proportion of patients in the surgical backlog who have exceeded provincial wait time targets. Work continues to manage the backlog and ensure access to care for those most impacted by delays.
- **Virtual Care Strategy** – Virtual Care is an important strategy to help increase access to care and improve continuity of care, with a target of 42% of all outpatient visits at UHN to be done virtually. UHN is collaborating with Alberta Health Services and The Ottawa Hospital to benchmark and share learnings, as well as sharing UHN's clinical guiding principles for Virtual Care with Ontario Health.
- **Accreditation** – UHN maintained its Exemplary Standing accreditation status after the most recent on-site survey in December 2021. The surveyors observed that safety culture is embedded into the culture at UHN, with the principles of Caring Safely sustained since the last survey 2 years ago. UHN's daily safety huddles were also noted as a continued success story.
- **Safety Scorecard for Quality Improvement** – The quarterly Safety Scorecard has been updated to include valuable functionality and an improved display. Specifically, the Scorecard now includes Statistical Process Control (SPC) charts which are considered the gold standard tool when measuring for improvement, as well as, indicators for System Quality Priorities of Escalation of Care and Transfer of Accountability/Information.

2.4.2 Medical Advisory Committee Report

Dr. Patricia Murphy, Chair of the Medical Advisory Committee (MAC), provided an update on matters overseen by the Committee, as pre-circulated in the meeting package. The following was noted:

- **Synapse Go-Live** – Physician leadership was engaged to ensure safe, effective patient care through system implementation and also worked proactively to detect and resolve and potential safety events related to go-live.
- **Patient Experience** – In recognition of the impact of patient experience on clinical outcomes and provision of safe care, the Quality & Safety Physician Council and the Patient Experience Team are establishing ongoing collaboration to ensure the Patient Declaration of Values serve as accountability standards for the patient experience at UHN.
- **Health Human Resources** – The retention and recruitment of clinical staff continues to be a top pressure; this includes physician staffing challenges.

2.5 Finance & Audit Committee

2.5.1 Chief Financial Officer's Report

Ms. Barbara Stymiest, Chair, Finance & Audit Committee, and Ms. Darlene Dasent, Vice President & Chief Financial Officer, provided an update on matters overseen by the Committee, as pre-circulated in the meeting package. The following was noted:

- **Year-End Audit** – The external audit for the year ending March 31, 2022 was completed and there were no issues of concern identified in EY's final 2022 audit results report.
- **Broader Public Sector Accountability Act (BPSAA)** – UHN is in material compliance with the requirements of the BPSAA and has formally attested to this compliance.
- **Investment Strategy** – In 2020 a new Investment Policy was approved based on external review. Since that time, implementation of the policy has been on hold given cash flow concerns associated with the pandemic and Management is now moving forward with implementation of the Policy under the guidance of an investment consultant.
- **SAP/Supply Chain Transformation** – Project planning for the SAP upgrade continues with key providers identified for the SAP implementation and warehousing/materials management services.

2.5.2 Draft Financial Statements for Year Ended March 31, 2022

Ms. Dasent provided the Board with an update on the financial performance of the organization and presented the draft audited financial statements for the year ending March 31, 2022. It was noted that UHN's financial position at year end is an \$8.8 M margin after allocation of the \$30.0 M bond target. The working capital ratio of 0.85 exceeds the Ministry target of 0.80.

The Board approved the draft audited financial statements for the period ending March 31, 2022, as presented:

Whereas the Finance and Audit Committee has reviewed the draft audited financial statements for the year ended March 31, 2022 with Management and the external auditor, and recommends approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the draft audited financial statements for the year ended March 31, 2022, as presented.

2.5.3 Recommendation - Appointment of External Auditors

Ms. Dasent provided the Board with the results of Management's annual assessment of external audit services from Ernst & Young (EY) and it was noted that, based on the results of this assessment, the Finance and Audit Committee recommends the reappointment of EY for 2022/23.

The Board approved the reappointment of EY as UHN's external auditor for 2022/23 and recommended approval of same by the Members of UHN:

Whereas Management has completed an annual assessment of external audit services from Ernst & Young with no issues noted;

And whereas the Finance and Audit Committee approved the reappointment of Ernst & Young as UHN's external auditor for the year ended March 31, 2023 and recommends approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the appointment of Ernst & Young as UHN's auditor for the year ended March 31, 2023 and recommends approval of same by the UHN Members.

2.5.4 2022/23 Operating Plan

Ms. Dasent presented the 2022/23 Operating Plan, as pre-circulated in the meeting package. It was noted that the Operating Plan is based on an assumption of a 1% increase in non-targeted operating funding, which would lead to significant cost pressures due to the impact of inflation. Ms. Dasent advised that confirmation of funding is anticipated in the fall, at which point Management will revisit and refine both the Operating Plan, where necessary.

The Board approved the 2022/23 Operating Plan, as presented:

Whereas Management has prepared the 2022/23 Operating Plan, which encompasses the 2022/23 Capital Plan;

And whereas the Finance and Audit Committee has reviewed and approved the 2022/23 Operating Plan and recommends approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the 2022/23 Operating Plan, as presented.

2.5.5 2022/23 Capital Plan

Ms. Dasent presented the 2022/23 Capital Plan, as pre-circulated in the meeting package. It was noted that the Capital Plan contemplates a lower spend than prior year due to ongoing challenges with supply chain and organizational capacity, as well as, the go-live of the Synapse Project. As with the Operating Plan, the Capital Plan will be re-assessed once funding for 2022/23 is confirmed by the province.

The Board approved the 2022/23 Capital Plan, as presented:

Whereas Management has prepared the 2022/23 Capital Plan, which comprises part of the 2022/23 Operating Plan;

And whereas the Finance and Audit Committee has reviewed and approved the 2022/23 Capital Plan and recommends approval of same by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the 2022/23 Capital Plan, as presented.

2.5.6 Master Planning Update

Ms. Rebecca Repa, Executive Vice President, Clinical Support and Performance, provided an overview of the Master Planning Report, as pre-circulated in the meeting package. The following was noted:

- **Patient Tower at Toronto Western Hospital (TWH)** – Toronto City Council has approved the motion to endorse the Ministerial Zoning Order for the New Patient Tower. Next steps include Ministerial sign-off and project approval. If approved, this project will save UHN one year in project timelines and \$1 M in fees. The provincial government publicly announced a \$34 M planning grant to support the TWH Patient Tower.
- **Proton Therapy Facility** – The provincial government publicly announced a \$5 M planning grant to support the Proton Therapy Facility.
- **Supportive Housing Initiative** – All levels of the government jointly announced the project construction kick-off of the Social Medicine Program's Supportive Housing initiative in Parkdale.

2.6 Human Resources Committee

2.6.1 2022/23 CEO Performance Goals

Dr. Kevin Smith provided an overview of the CEO performance goals for the fiscal year ending March 31, 2023, as pre-circulated in the meeting package. The goals include the following:

- **Quality & Safety** – Quality to meet patient health care needs, for every patient, every time.
- **COVID-19 Recovery** – Continue to lead and support provincial and national recovery efforts, while maintaining UHN's position as one of the top hospitals in the world.
- **TeamUHN Culture and Engagement** – Continue to build a respectful culture, supporting the growth of UHN staff, and retaining and recruiting the next generation of leaders.
- **Advance the Debate and Reform of the Future of the Healthcare System** – Harness UHN's pandemic leadership and foremost education, discovery, and research platforms to develop a plan to propel UHN's role, and best position our expertise for long-term impact across provincial, national and global healthcare landscapes.

The Board approved the CEO performance goals for the fiscal year ending March 31, 2023, as presented:

***Whereas** the Human Resources Committee has reviewed and approved the performance goals of Dr. Kevin Smith, President & CEO, for the fiscal year ending March 31, 2023 and recommends approval of same by the UHN Board of Trustees;*


***And whereas** performance against these goals will inform Dr. Smith's variable compensation for the fiscal year ending March 31, 2023;*

***Be it resolved that** the UHN Board of Trustees approves the performance goals of Dr. Kevin Smith, President & CEO, for the fiscal year ending March 31, 2023, as presented*

3.0 OTHER BUSINESS

3.1 Adjournment

There being no further business, the meeting was terminated at 12:45 PM.



Mr. Brian Porter
Chair, Board of Trustees
University Health Network

June 22, 2022

Date

SCHEDULE A

Consent Agenda Resolutions

The following are resolutions passed as part of the Consent Agenda by the UHN Board of Trustees at their meeting on June 22, 2022.

Resolutions
<p><u>Meeting Minutes: February 16, 2021</u></p> <p>Whereas the UHN Board of Trustees has reviewed the minutes of its meeting taking place on February 16, 2022;</p> <p>Be it resolved that the UHN Board of Trustees approves the minutes of its meeting taking place on February 16, 2022, as presented.</p>
<p><u>Real Estate and Capital Strategy Committee- Change in Status</u></p> <p>Whereas the Governance & Nominating Committee has reviewed the current status of the Real Estate and Capital Strategy Committee (“RECS”) as a subcommittee of the Finance and Audit Committee of the Board;</p> <p>And whereas it is deemed to be in the best interest of both UHN and the UHN Board of Trustees (the “Board”) that RECS become a full committee reporting directly to the Board, given the level of capital development underway and planned for UHN;</p> <p>And whereas the Governance & Nominating Committee approves the change in status of RECS from a subcommittee of the Finance and Audit Committee to a full committee reporting directly to the Board, and recommends approval by the Board;</p> <p>Be it resolved that the UHN Board of Trustees approves the change in status of RECS to a full committee reporting directly to the Board.</p>
<p><u>Medical Staff Appointments (attached hereto as Exhibit A)</u></p> <p>Whereas the Medical Advisory Committee has reviewed and approved certain medical/dental staff appointments at their meeting(s) of April 7, 2022, May 5, 2022, and June 2, 2022, and recommends approval of same by the UHN Board of Trustees;</p> <p>Be it resolved that the UHN Board of Trustees approves the medical/dental staff appointments, as presented.</p>
<p><u>2021/22 BPSAA Attestation</u></p> <p>Whereas Management is required to attest to UHN’s compliance with the Broader Public Sector Accountability Act (BPSAA) on an annual basis;</p> <p>And whereas the Finance and Audit Committee has reviewed and approved the BPSAA attestation for the period April 1, 2021 through March 31, 2022, and recommends approval by the UHN Board of Trustees;</p> <p>Be it resolved that the UHN Board of Trustees approves the BPSAA attestation for the period April 1, 2021 through March 31, 2022.</p>

Resolutions

Non-Competitive Procurement: Photopheresis Consumables and Services

Whereas the Finance and Audit Committee has approved the non-competitive procurement of Photopheresis Consumables and Services with Management from Therakos Inc. at a cost of [REDACTED] over four years and recommends approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the non-competitive procurement of Photopheresis Consumables and Services from Therakos Inc. at the cost of [REDACTED] over four years.

Non-Competitive Procurement: SAP/Supply Chain Transformation – Systems Integrator Master Service Agreement

Whereas Management has conducted a public Request For Proposals (“RFP”) sourcing event and identified a Top Ranked Proponent (“TRP”) for the SAP S/4HANA (the “Project”) Systems Integrator; and has assessed the project bid and negotiated terms of the contract and Statement of Work;

And whereas the Finance and Audit Committee previously approved the competitive procurement of the TRP at a cost not to exceed [REDACTED] over two years;

And whereas the Finance and Audit Committee has reviewed Management’s recommendation to update the implementation approach and add a new module to the project including the impact of changes to the Statement of Work;

And whereas the Finance and Audit Committee approved the competitive procurement of the TRP for the SAP S/4HANA Systems Integrator at a cost not to exceed [REDACTED] plus applicable costs over two years and recommends approval of same by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the competitive procurement of the TRP for the SAP S/4HANA Systems Integrator at a cost not to exceed [REDACTED] plus applicable costs over two years.

Non-Competitive Procurement: Cardinal Health Canada – Just-In-Time Warehouse/Materials Management Services

Whereas the Finance and Audit Committee has reviewed and approved the non-competitive procurement of Just-In-Time Warehouse Materials Management Services from Cardinal Health Canada at a cost of [REDACTED] over eight years, and recommends approval of same by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the non-competitive procurement of Just-In-Time Warehouse Materials Management Services from Cardinal Health Canada at a cost of [REDACTED] over eight years.

Investment Strategy – Fund Allocation

Whereas Management is proposing the transfer of \$200 M, via a Custodian, from UHN’s BMO operating accounts to investment accounts held with certain approved investment managers;

And whereas the transfer contemplates an allocation of funds based on purpose of funds and risk profile that aligns with the investment principles and goals;

And whereas the Investment and Financing Advisory Group reviewed Management’s proposal and recommended approval by the Finance and Audit Committee;

Resolutions

And whereas the Finance and Audit Committee approved the transfer and recommends approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the transfer of \$200 M, via a Custodian, from UHN BMO operating accounts to investment accounts held with Connor Clark & Lunn Investment Management, MFS Investment Management, and RBC Global Asset Management/PH&N.

Banking and Investment Resolution Amendments

Whereas, based on the external review of UHN's Treasury function, Management has identified opportunities to better align UHN's banking and investment activities by opening a number of new bank and investment accounts;

And whereas Management proposes opening a total of thirteen new accounts, comprising five banking accounts and four investment accounts with BMO, as well as, four investment accounts with the Custodian bank;

And whereas the Investment and Financing Advisory Group reviewed and approved Management's proposal and recommended approval by the Finance and Audit Committee;

And whereas the Finance and Audit Committee approved the proposal and recommends approval by the UHN Board of Trustees;

Be it resolved that the UHN Board of Trustees approves the opening of a total of thirteen new accounts, comprising five banking accounts and four investment accounts with BMO, as well as, four investment accounts with the Custodian bank.