

**BOARD OF TRUSTEES
MEETING MINUTES**

Wednesday, November 15, 2017 at 12:00 p.m.
Toronto General Hospital
Anthony S. Fell Boardroom – 1S425

Present:	Brian Porter (Chair)
Elected Trustees (Voting):	Peter Wallace Cliff Nordal Doug McGregor Cornell Wright Ross Baker Lawrence Pentland Barbara Stymiest Thomas MacMillan Dhun Noria Kelvin Dushnisky Peter Menkes Todd Halpern (<i>via teleconference</i>)
Ex Officio Trustees (Non-Voting):	Charlie Chan (Interim CEO) Michael Gardam (MAC Chair) John Granton (MSA President) Joy Richards (CNO) Eric Horlick (MSA Vice-President)
U of T Representatives (Voting):	Cheryl Regehr (Vice-President and Provost) Trevor Young (Dean of Medicine)
Regrets:	Dean Connor Dan Haas Jan Campbell
Recording Secretary:	Grace Ivo

Quorum – 40% of Voting Members or 7 Voting Members

1.0 Call to Order

Mr. Brian Porter called the meeting to order at 12:05 p.m.

2.0 Declaration of Conflict of Interest

Mr. Brian Porter asked that any Board of Directors participating in this meeting let the Board know if they have any perceived or known Conflicts of Interest relating to any of the items listed in the Agenda for this meeting.

No conflicts were declared.

3.0 Minutes of Meeting held September 20, 2017

Pre-circulated for members' information were the minutes of the meeting held on September 20, 2017.

BOARD DECISION

On a motion duly made by Mr. Brian Porter and seconded by Mr. Lawrence Pentland the Board of Trustees hereby approve the Minutes of the Meeting held September 20, 2017.

4.0 Chair's Report

Pre-circulated for members' information were the Chair's Report and a Briefing on the Recent TC LHIN Governance-to-Governance Session.

Mr. Brian Porter advised that at the June 2018 AGM, three Board Trustees will be stepping down. Recruiting/replacement of directors is underway.

5.0 Board Business

5.1 KPMG Governance Review: Update on Action Plan

Pre-circulated for members' information was an update on the implementation of key recommendations put forward as part of KPMG's Board Governance Review report.

KEY DISCUSSION POINTS/RATIONALE

- Management provided Trustees with an update on the implementation of key recommendations as part of KPMG's Board Governance Review report.
- Management has begun to translate each of the recommendations into a detailed work plan outline.
- Regular progress updates will be provided to the Board.

5.2 CEO Search Advisory Committee Feedback

Pre-circulated for members' information was an update on the CEO Search Advisory Committee Feedback.

KEY DISCUSSION POINTS/RATIONALE

- Ms. Emma Pavlov provided an update on the CEO Search Advisory Committee. The Search Advisory Committee have been working closely with Spencer Stuart to build the selection criteria and process for UHN's next President & CEO.
- The Search Committee conducted three focus groups with leaders representing research, physicians, and corporate/clinical leaders. Interviews will begin in December 2017.

6.0 Chief Executive Officer's Report

Pre-circulated for members' information was the Chief Executive Officer's Report.

KEY DISCUSSION POINTS/RATIONALE

- Dr. Charlie Chan provided a brief verbal update and advised members to refer to his Chief Executive Officer's report for details.
- Ms. Emma Pavlov provided an update on the Sun Life Benefits Fraud Investigation. A joint investigatory process into suspicious benefits claims has been ongoing since July 2017. To date, a number of health care suppliers have been delisted and 41 employees have been interviewed. The organization has recovered approximately \$140,000. Disciplinary action has been taken where appropriate and several employees have been cleared of any wrongdoing.

7.0 Chief Financial Officer's Report

Pre-circulated for members' information was the Chief Financial Officer's Report.

KEY DISCUSSION POINTS/RATIONALE
<p>Ms. Darlene Dasent highlighted the following:</p> <ul style="list-style-type: none"> • September Year-to-Date (YTD) financial results have been released. <ul style="list-style-type: none"> ○ \$5.2 M (40%) improvement in operating loss compared to prior year ○ \$33.4 M (3%) increase in revenues compared to prior year • Progress has been made to address the Research funding shortfall. \$6 M of incremental funds have been identified in conjunction with TGTWHF to support Research in 2017/18. • Announcement of MOHLTC funding for surge capacity, provincial programs and re-opening of Hillcrest – funding letter details still outstanding. • MOHLTC release of HBAM results; UHN 3% efficiency positions us to earn funding next year. • Business modelling commenced for Research funding model and IT Transformation. • Launch of Request for Proposals (RFP) to develop operational excellence roadmap for business and finance functions at UHN.

8.0 Finance and Audit Committee

8.1 Minutes of Meeting – September 18, 2017

Pre-circulated for members' information were the minutes of the meeting held on September 18, 2017.

8.2 Finance and Audit Briefing Notes for Approval

Pre-circulated for members' information were the Finance and Audit Committee recommendations from its November 10, 2017 meeting. Ms. Barbara Stymiest provided brief updates on the recommendations made from its November 10th Finance and Audit Committee meeting.

a) UHN 2017/18 External Audit Plan

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> • The Audit Plan from EY for the March 31, 2018 year end outlines the scope of services and the key considerations that will affect this year's audit. There were no significant changes compared to the prior year's plan.
BOARD DECISION
<p><i>On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve UHN's External Audit Plan for the Year Ended March 31, 2018.</i></p>

b) UHN Financial Statements for the Six Months Ended September 30, 2017

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> • Hospital Operations were \$7.5 M behind budget with a net deficit of \$15.1 M compared to budgeted deficit of \$7.6 M. • The current financial position – Able to manage current debt load with residual capacity, capable of managing existing operating pressures and UHN has a plan in place to achieve targets. • UHN will continue monitoring of cash trends; more sophisticated cash flows and optimize balance sheet, including deferred contributions.
BOARD DECISION
<p><i>On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve the Financial Statements for the Six Months Ended September 30, 2017.</i></p>

c) Signing Authority and Delegation Policy Amendments

- Finance and Audit recommends minor amendments to reflect corrections and changes in titles in the SADP.

On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve the Signing Authorities & Delegations Policy amendments recommended by Finance and Audit Committee.

d) Abbott Lab Medicine Program Contract

- The current instrumentation has reached the end of its life and must be replaced. Abbott was selected following a competitive RFP process. The contract includes equipment services and supplies for an estimated ten year spend of \$19.5 M.

On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve entering into a contract with Abbott Laboratories Limited for Core Biochemistry Laboratory equipment, services and supplies with a total cost of \$19.5 M over ten years.

e) 7T Research MRI

- Construction of a 7T MRI facility is part of a large scale revitalization of TWH and will include the UHN 7T facility and a new research lab led by a scientist with a primary appointment in Techna. The total value of the Scientist recruitment package is approximately \$6M over 5 years with \$2.2 M going towards subsidizing the operating costs of the facility.

On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve the procurement of a 7T MRI and construction of a three story infill on the TW campus to house the equipment, for a total capital of \$24.7 M and a projected operating cost of \$6 M over 10 years, to be funded by Research and non-MOHLTC funding sources. An additional \$3.8 M is approved for allocation for research support for 5 years, after which time the research support costs will be provided by Techna Research Institute.

f) Finance and Audit Committee Terms of Reference Amendments

- Finance and Audit Committee members request the approval of its amendments to its ToR to clearly define the increased scope of Finance & Audit Committee's role, which includes ongoing monitoring of commercial initiatives (Business Development & Commercialization), the development and maintenance of an effective risk management structure as well as ongoing oversight of UHN's risk management program (Risk and Compliance).

On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve the recommended amendments to the Terms of Reference of the Finance and Audit Committee.

g) Hillcrest Reactivation Centre – Client Care Services Contract

- UHN is proposing to repurpose Hillcrest to reduce impact on wait times and hospital resources associated with patients requiring ALC, avoid long-term care home placement and help transition clients home safely. UHN will provide oversight to develop and manage the procurement process to secure a community service provider. TC LHIN and MOHLTC have committed funding for the remainder of the fiscal year. The contract is currently being negotiated and will need to be executed on or before December 1, 2017 to meet MOHLTC timelines. Total contract value is estimated at \$31 M over the full 6 year term.

On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Kelvin Dushnisky that the Board of Trustees approve entering into a contract with the community agency to provide client services at Hillcrest with a total cost of \$31 M over six years.

h) Scalar Decisions Inc. (a reseller of ServiceNow)

- UHN has an opportunity to offer digital services in a more automated and cost effective fashion for service desk requests by investing in our own IT Service / Operations Management tool. Estimated total cost of \$10.5 M USD over five years contingent upon UHN Executive approval of the Digital Managed Services Strategy and contract review and sign off.

On a motion duly made by Ms. Barbara Stymiest seconded by Mr. Lawrence Pentland that the Board of Trustees approve to enter into a contract with Scalar Decisions Inc., as the reseller of ServiceNow, a vendor for IT Service and Operations Management Solution with an estimated total cost of \$10.5 M USD (estimated \$13 M CDN) over five years contingent upon the following:

- UHN Executive approval of the Digital Managed Services Strategy*
- Contract review and sign off.*

Management will return to the Finance and Audit Committee if the contract amount exceeds the estimated amount by >5%

Board members discussed Deferred Maintenance. There were a number of questions re: severity, impact, type, etc. Mr. Larry Baldachin will provide a very high level report that summarizes the questions via email upon termination of this meeting.

9.0 Enterprise Risk Management – 2017/18 Q2 Report

Pre-circulated for members' information was the Enterprise Risk Management – 2017/18 Q2 Report. The Enterprise Risk Management program continues to develop and mature. The focus of Q2 was to revise the ERM Policy to reflect the changes in structure and accountabilities, complete a Q2 review of EVP risk registries and recruit a Chief Risk Officer.

10.0 Digital Update

KEY DISCUSSION POINTS/RATIONALE

- Dr. David Jaffray provided an update on the Electronic Patient Record Interfacing Incident. An issue surfaced when a patient found results in their patient portal file for tests they had not taken.
- UHN worked with Ontario's Information and Privacy Commission to determine the cause of the breach and identify corrective measures.

11.0 Board Education

11.1 Program Update – Department of Medicine

Pre-circulated for members' information were the achievements of the Department of Medicine.

KEY DISCUSSION POINTS/RATIONALE

- Dr. Edward Cole provided the Board of Trustees with an update on achievements in the Department of Medicine, how the Department aligns with UHN's priorities, and highlighted important issues.

11.2 Executive Vice President Update – Chief Operating Officer

Pre-circulated for members' an overview of the Executive Vice President & Chief Operating Officer portfolio and to highlight achievements in the last year since this role was introduced.

KEY DISCUSSION POINTS/RATIONALE

- Mr. Mike Nader provided an overview of the Executive Vice President & Chief Operating Officer portfolio and highlighted achievements in the last year. Mr. Mike Nader also provided an update on the current initiatives and future directions.

11.3 Medicine and Society: Research and Innovation in Canada: Canada's Fundamental Science Review 2017

Pre-circulated for members information was a comprehensive review of federal funding mechanisms that support research at academic and research institutes across Canada. The review was led by an independent panel of distinguished research leaders and innovators including Dr. David Naylor, former president of the University of Toronto.

KEY DISCUSSION POINTS/RATIONALE

- Dr. Brad Wouters presented a review of federal funding mechanisms that support research at academic and research institutes across Canada.
- UHN will continue to support advocacy efforts for the recommendations in order to continue promoting world-leading science at UHN.

12.0 Committee Reports

12.1 Safety and Quality Committee, Minutes of Meetings – May 29 and September 25, 2017

Pre-circulated for members' information were the minutes of the Safety and Quality Committee meetings held May 29 and September 25, 2017.

12.2 Governance and Nominating Committee, Minutes of Meeting – no minutes to review

12.3 Research Committee, Minutes of Meeting – September 25, 2017

Pre-circulated for members' information were the minutes of the Research Committee meeting held September 25, 2017.

12.4 Education Committee, Minutes of Meeting – no minutes to review

12.5 Michener Board Committee, Minutes of Meeting – no minutes to review

12.6 Human Resources Committee, Minutes of Meeting – August 29 and September 27, 2017

Pre-circulated for members' information were the minutes of the Human Resources Committee meetings held August 29 and September 27, 2017.

12.7 Medical Advisory Committee, Minutes of Meetings – September 7 and October 5, 2017
Pre-circulated for members’ information were the minutes of the Medical Advisory Committee meetings held September 7 and October 5, 2017.

12.8 Medical Staff Appointments – September 7 and October 5, 2017
Pre-circulated for members’ information were the Medical Staff Appointments approved by the Medical Advisory Committee at its September 7 and October 5, 2017 meeting.

The Board of Trustees accepts the Committee Reports as information under tab 12.0.

13.0 Medical Staff By-laws
Pre-circulated for members’ information were revised Medical Staff By-laws recommended for Board approval by the Medical Advisory Committee. The Medical Staff by-laws were last updated in the spring of 2017. Subsequent to that, there have been changes made relating to the TAHSN common categories of medical staff appointments. In addition, a clause has been added with respect to the requirement for police record checks.

KEY DISCUSSION POINTS/RATIONALE
<ul style="list-style-type: none"> • Dr. Michael Gardam presented a revised Medical Staff By-law recommended by the Medical Advisory Committee for approval.
BOARD DECISION
<i>On a motion duly made by Ms. Barbara Stymiest and seconded by Mr. Lawrence Pentland that the Board of Trustees hereby approve the Medical Staff Bylaws.</i>

14.0 In Camera
No minutes taken.

15.0 Date of Next Meeting
The Board of Trustees will meet next on Wednesday, February 21, 2018 at 12:00 p.m. at Toronto General Hospital, in the Anthony S. Fell Boardroom.

16.0 Adjournment
There being no further business, the meeting was adjourned.
The Chair agrees these meeting minutes are an accurate reflection of the meeting.



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

November 15, 2017
Date