Minutes of The Hospital for Sick Children Board of Trustees' Meeting held on Thursday, May 24, 2012, at 4:00 p.m. at The Hospital for Sick Children, Toronto, Ontario.

Present:
Mr. R. Harding, Chair
Mr. J. Thompson, Vice-Chair
Ms. R. Patten, Vice-Chair
Ms. M.J. Haddad
Ms. K. Delaney
Dr. G. Donner (phone)
Mr. J. Francis
Mr. D. McKay
Ms. G. O’Brien
Mr. R. Prichard
Mr. D. Lastman (phone)

Present:
Mr. S. Marwah
Mr. L. Repar
Mr. A. Khanna
Mr. L. Scott
Mr. B. Simpson
Mr. D. Wright
Mr. T. Long
Mr. S. Smith
Dr. J. Wright
Dr. P. Campisi
Ms. M. Evans, Corp. Secretary

Regrets:
Mr. R. Weese
Mr. P. Reynolds
Ms. P. Hubley

By Invitation:
Ms. D. Arsenault
Dr. J. Rossant
Dr. D. Daneman
Dr. S. Zlotkin
Mr. J. Garner
Ms. S. O’Dowd
Mr. J. Mainland
Ms. S. Younker
Ms. M. Monk
Ms. F. Mauti
Mr. T. Garrard
Mr. A. Smith

Ms. Megan Evans, Corporate Secretary, confirmed that notice of the meeting had been duly sent to all Trustees and that a quorum was present in person or by phone, all in accordance with the Hospital's by-laws. Accordingly, Mr. Bob Harding, Chair of the Board, declared that the meeting was properly constituted and called the meeting to order.

INNOVATION STRATEGY
In 2011, SickKids commissioned an organizational assessment of the Hospital’s culture of innovation. Over the last year a significant amount of work has been done to enhance the culture of innovation at SickKids. Mr. Jeff Mainland, VP, Strategy, Performance & Communications with the assistance of Dr. J. Wright, Surgeon-in-Chief and Chief, Perioperative Services provided an overview on the advancement of innovation at SickKids including examples of innovations completed or developed in the last year, the innovation action plan and the areas of focus for the 2012/13 year. Mr. Mainland introduced Mr. Aaron Smith, Program Director, Innovation who will lead the Innovation Working Group in the implementation of the SickKids innovation strategy which is focused on enhancing quality and outcomes by improving services, products, business models and polices; and increasing revenue by commercializing innovations and establishing new services and partnerships.

Moving forward and looking to 2012/13, the innovation action plan will focus heavily on the implementation of tools and mechanisms to support innovation as well as the communication and championing of innovative actions by SickKids leaders.
CONSENT AGENDA

Mr. Harding referred Trustees to the consent agenda items. No questions were raised.

MOTION:

After discussion, NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

Motion: Mr. S. Smith Seconded: Mr. J. Francis

THAT the minutes of the Board of Trustees meeting held on March 8, 2012, be approved as circulated;

and

THAT the medical staff appointments & re-appointments be approved as tabled.

MEDICAL ADVISORY COMMITTEE REPORT

Dr. J. Wright, Chair of the Medical Advisory Committee referred Trustees to the written report for March, April and May of 2012. Dr. Wright advised that MAC will be reviewing the credentialing process for physicians and dentists. A report on the credentialing process and the obtaining of external references will be brought to the Board in the Fall.

EXECUTIVE REPORT

Ms. Mary Jo Haddad presented her executive report.

Ms. Haddad introduced Ms. Susan O’Dowd, the new Vice-President, Human Resources to the Board. Ms. O’Dowd has held a series of increasingly senior strategic roles, involving all aspects of human resources, in the transportation, retail, consumer package goods, financial services, pharmaceutical and medical diagnostic industries. The Board welcomed Ms. O’Dowd.

Appointments

Ms. Haddad advised that three new appointments have been made to the Hospital:

Dr. Peter Laussen has been appointed as Chief, Critical Care Medicine, effective September 1, 2012. Dr. Laussen was recruited from the Children’s Hospital in Boston where he was Chief of the Division of Cardiac Intensive Care in the Department of Cardiology. In 2002 he became the first incumbent of the Dolly D. Hansen Chair in Paediatric Anaesthesia and is a professor of Anaesthesia at Harvard Medical School.

Dr. Eyal Grunebaum has been appointed Head, Division of Immunology & Allergy effective May, 1, 2012. Dr. Grunebaum has been with SickKids in the Department of Immunology & Allergy since 2002. He specializes in the diagnosis and treatment of patients suffering from primary immunodeficiency disease.

Dr. Martin Offringa has been appointed as Program Head, Child Health Evaluative Sciences Program effective March 2012. Dr. Offringa was recruited from the University of Amsterdam where he was Professor and Head of the Department of Paediatric Clinical Epidemiology. He has extensive experience in epidemiology and clinical decision analysis.

Foundation Funding Update and Hospital Priorities

Ms. Haddad provided an update on Foundation funding and Hospital priorities. In an effort to ensure the Hospital is well positioned in the context of the current environment, SickKids has worked closely with the Foundation to set focused and strategic funding goals using a new fundraising priority-setting process.

As competition for resources increases, it becomes critical that SickKids continues to provide an environment that both retains and attracts the best talent in paediatrics and continues to lead in care, research and teaching in Children’s health. For the 2012/13 year the Foundation has agreed to provide funding and supportive programming to help meet the priority needs of the Hospital, including recruitment and the
Research & Learning Tower. The Board requested that updated financials on the Research & Learning Tower be provided at the June Board meeting.

SickKids is also working with the Ministry of Health & Long-Term Care (MOHLTC) and the Toronto Central Local Health Integrated Network (TC-LHIN) to address implications of the new hospital funding model for highly specialized hospitals like SickKids. SickKids is committed to working with MOHLTC to adapt the funding model for specialty paediatrics and ensure continued leadership in paediatric care.

**Scientific Advisory Board Report**

The Scientific Advisory Board (SAB) was established in 2008 to serve in an advisory function to the Research Institute providing independent advice on the overall scientific strategy for the Research Institute as well as advice on specific areas through mechanisms such as program reviews.

The SAB meets annually. This year’s meeting was held over two days in May and was focused on an overall Research Institute update and the move into the new Research & Learning Tower. The SAB delivered their report and recommendations for the upcoming year to the Chief of Research, the CEO and the Board Chair. These recommendations will be tabled at Board once the formal report has been received.

**Appointment of MAC Chair & Vice-Chair**

Appointments to the Medical Advisory Committee (MAC) are made on an annual basis. Ms. Haddad requested approval for the re-appointment of Dr. J. Wright as Chair and Dr. D. Daneman as Vice-Chair of the MAC.

**MOTION:**

> After discussion, NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

Motion: Mr. L. Repar
Seconded: Mr. L. Scott

> THAT Dr. Jim Wright be re-appointed as Chair of the Medical Advisory Committee for the Hospital for Sick Children for a second two (2) year term, effective July 1, 2012.

and

> THAT Dr. Denis Daneman be re-appointed as Vice-Chair of the Medical Advisory Committee for the Hospital for Sick Children for a second two (2) year term, effective July 1, 2012.

**FOUNDATION UPDATE**

On May 1, 2012, the Foundation launched the Happy & Healthy Campaign with 50 events organized throughout the month of May and 40 new corporate sponsors. On May 12, the Toronto Star issued a special feature section on SickKids and children's health. On May 31, to close the Happy and Healthy Campaign, Astral Radio will host a radio-thon in support of SickKids.

**COMMITTEE REPORTS**

**Finance & Audit Committee**

Mr. Larry Scott reported on the May 2012 meeting of the Committee.

The Committee discussed the year-end financial results and MOHLTC capital funding update. Mr. Scott advised the Board that the external auditors have provided their report on the audit results and he noted that the audit went very well this year. An update was provided on the Research & Learning Tower which was topped off on April 13. An overview was also provided on the new accounting policies for the SickKids Registered Pension Plan.
MOTION:

After discussion, NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

Motion:  Mr. J. Francis                          Seconded:  Mr. D. Wright

THAT the Board of Trustees:

• Approves the updated 2012/13 Operating Plan as recommended by the Finance & Audit Committee; and

• Requests management to continue to keep the Board of Trustees updated with respect to MOHLTC and TC LHIN 2012/13 Funding.

Financial Statements

The year-end financial results and financial statements were reviewed. For the year ending March 31, 2012, the Hospital has reported a consolidated total surplus of $19.5M, or $20.6M before building depreciation. The Patient Care operating deficit improved by $4.3M from the Q3 forecast of $6.7M.

MOTION:

After discussion, NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

Motion:  Mr. L. Scott                          Seconded:  Mr. J. Thompson

THAT the Board of Trustees approves the Financial Statements for the year ending March 31, 2012 and authorizes management to make such necessary immaterial changes, as may be required.

Capital Project

One capital project was presented – Automated Parking Project. The project will improve customer service and maximize the financial contribution derived from hospital parking by replacing the current obsolete parking management system with an automated self serve payment system.

MOTION:

After discussion, NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

Motion:  Mr. L. Scott                          Seconded:  Mr. T. Long

THAT the Board of Trustees approves the Automated Parking System ($1.46M), as recommended by the Finance & Audit Committee.

Debenture Retirement Fund

The establishment of a Hospital Debenture Retirement Fund was recommended by the Hospital and Foundation management and is subject to agreement from the SickKids Foundation Board that $24M of Debenture proceeds be allocated to establish a fund at the Hospital designated to the retirement of the debentures. Any use of this fund and related investment returns would be subject to approval of both Boards.

MOTION:

After discussion, NOW THEREFORE, UPON MOTION duly made, seconded and unanimously carried, IT WAS RESOLVED:

Motion:  Mr. L. Scott                          Seconded:  Mr. S. Smith

THAT the Board of Trustees approves the following:

- That subject to finalization of a mutually acceptable amendment to the Research Tower Funding Agreement (RTFA) discussed below, including approval of such amendment by the Foundation Board of Directors, $24,000,000 of the Debenture proceeds be allocated to establish a fund at the Hospital designated to the retirement of the Debentures (the “Debenture Retirement Fund”);
- That the funds in the Debenture Retirement Fund be invested as directed by the Investment & Pension Committee of The Hospital’s Board of Trustees;
- That the Debenture Retirement Fund and related investment returns be restricted for the purpose of repaying the principal of the Debentures at maturity, unless otherwise approved by the Hospital Board of Trustees and the Foundation Board of Directors;
- That the RTFA be amended to properly reflect and give effect to these resolutions; and
- That management be and is hereby authorized to negotiate and execute such amendment to the RFTA giving effect to these resolutions.

Human Resources Committee

Mr. John Thompson reported on the May 2012 meeting of the Committee. A summary was provided on the Ontario budget and the implications for SickKids with regard to compensation, pension, employment-related expenses and collective bargaining were discussed. The Committee was provided with an overview on the 2012 salary increases. The wage freeze for non-union/non-executive employees expired on March 31, 2012. The wage freeze on executive salaries will continue. The Committee was provided with an overview on the Ontario Hospital Association’s executive framework. Implications and implementation of the eight recommendations were discussed. The Committee approved the Executive Performance and Compensation results for the 6 month period ending March 31, 2012. The 6 month performance and compensation for the CEO was also approved by the Committee. In accordance with the OHA guidelines the Committee also approved a salary range for the P/CEO position.

Governance & Nominating Committee

Ms. Rose Patten reported on the April and May 2012 meetings of the Committee. At the April 2012 Committee meeting, the Committee approved two new Trustee candidates; one for 2012 and a second for June of 2013. The Committee reviewed Committee memberships and proposed several changes. A new Vice-Chair candidate was identified and an update was provided on the Accreditation Canada process.

At the May 2012 Committee meeting an update on Trustee Recruitment was provided. The Committee approved proposed terms for new Trustees who will be joining the Board in June and agreed to propose the reappointment of two existing Trustees whose terms expire in June. The Committee was provided with a timeline for preparing the Board for its role in the governance component of the 2013 Accreditation Canada process. The Committee also discussed Trustee Evaluations and Trustee Attendance. The Committee agreed that Trustee Attendance should be distributed to the full Board at the June Board meeting. The G&N Committee is on track to achieve all goals and objectives for the year.

All approval items from the April and May Committee meetings will be recommended to the Board at the Annual General Meeting in June.

Board Quality Committee

Dr. Gail Donner reported on the May 2012 meeting of the Committee. The Committee reviewed division/departmental external reviews for Nursing & Interprofessional Practice; Critical Care; General & Thoracic Surgery; Labatt Family Heart Centre & the Division of Cardiology and Immunology/Allergy. A presentation was provided on the quality strategy for Paediatric Laboratory Medicine (DPLM). DPLM has focused on developing an enhanced strategy for quality oversight and operationalizing that strategy. An update was also provided on the Q3 and Q4 Balanced Scorecard. The three areas where the Hospital is not at or above target are: Specimen Labeling Integrity, Emergency Department (ED) Patient Satisfaction and Surgical Out-of-Window Wait Times. Efforts are continuing to improve the process in which specimens are labeled and identified. ED Patient Satisfaction has likely been impacted by increases in patient volumes. Two initiatives are being considered to improve surgical out-of-window wait times including the reallocation of operating time and the adoption of a software system that will assist in the prioritization of surgeons’ schedules/times.
IN-CAMERA MEETING BOARD OF TRUSTEES

The Trustees held an in-camera session.

ADJOURNMENT

There being no further business for discussion, the meeting was adjourned.

*These Minutes have been redacted in accordance with the *Freedom of Information and Protection of Privacy Act*. 