



PBC Health Benefits Society

**Terms of Reference for  
the Pacific Blue Cross  
Governance Committee**



# Terms of Reference for the Pacific Blue Cross Governance Committee

## I. Purpose

The purpose of the Governance Committee (the "Committee") is to provide a focus on Board governance that will enhance the Society's performance and to assess and make recommendations regarding Board effectiveness. The Committee should meet as required.

## II. Composition

- a) The Committee will be composed of not less than five directors.
- b) The Society Secretary will be secretary to the Committee.

## III. Duties and Responsibilities

The Committee will:

- a) Take direction from the Board to ensure appropriate Governance.
- b) Review, monitor and make recommendations regarding the orientation and ongoing development of existing and new directors.
- c) Develop and monitor the Society's overall approach to Board governance.
- d) Advise the Board or committees of the Board of governance issues which ought to be considered.
- e) Review the terms of reference of the Board, each committee, each task force, the Chair and the President and recommend changes to the Board.
- f) Review and make recommendations to the Board regarding the methods and processes by which the Board fulfills its duties and responsibilities, including:
  - i. the number and composition of directors on the Board;
  - ii. the structure of Board meetings and committee meetings;
  - iii. the annual schedules of issues to be presented at Board meetings and at committee meetings;
  - iv. information which is to be provided to the directors generally and with respect to Board meetings and committee meetings;
  - v. resources available to directors; and
  - vi. communication between the Board and management.
- g) Ensure a process is in place which enables a committee or a director to engage separate independent counsel or advisors at the expense of the Society in appropriate circumstances.
- h) Recommend to the Board any changes to the Board Manual.
- i) Recommend to the Board that three of its members who are not standing for election to serve as the Nominating Committee.

- j) Establish and administer a process (including a review by the full Board and discussion with management) for assessing the effectiveness of the Board and its committees.
- k) Review the directors' expenses and fee policy and recommend changes to the Board. The director fees will be reviewed biennially at the first Governance Committee meeting following the Annual General meeting in even numbered years.
- l) Prepare recommendations for the Board regarding any reports on Board governance that are required or considered advisable.

#### **IV. Accountability**

- a) Upon meeting, the Committee will report its discussions to the Board at the next meeting of the Board or if necessary, by written summary, at the next meeting of the Board.
- b) The Committee will liaise as necessary with other PBC Board Committees.
- c) The Committee will review the Committee Chair Succession Plan on an annual basis.
- d) The Committee will review, on an annual basis, and recommend changes to its Terms of Reference at the first Governance Committee meeting following the Annual General meeting.

#### **V. Committee Timetable**

The major annual activities of the Committee for the forthcoming year are outlined in the Committee Workplan which will be agreed to by the Committee at its last meeting of the current year.

