Huron Health System	☐ Policy ☐ Procedure ☐ Protocol ☒ Terms of Reference	Section *Policy&Procedure Board Manual*	Number *01-200*

Fiscal Advisory Committee

Date Issued: April 28, 2026
Date Review/Revised:
Next Review Date: April 28, 2028

Owner: Common Board of Directors (Common Board)	**Reviewer(s):** Governance Committee	**Approver**: Common Board of Directors

This is a controlled document prepared solely for use by the Huron Health System (HHS). HHS accepts no responsibility for use of this material by any person or organization not associated with HHS. No part of this document may be reproduced in any form for publication without permission of HHS. A printed copy may not reflect the current electronic document and should always be checked against the electronic version prior to use.

Except as expressly stated to the contrary herein, these Terms of Reference apply to both the Alexandra Marine & General Hospital (AMGH) and the South Huron Hospital (SHH). AMGH and SHH are referred to individually and collectively as the Hospital.

Purpose

The purpose of the Fiscal Advisory Committee (FAC) is to provide a formal mechanism for the participation of staff in the planning and utilization of resources within the Hospital. The FAC serves to advise the Common Board on the operation, development, and financing of the Hospital as required by Regulation 965, Section 5 of the *Public Hospitals Act*.

The FAC is accountable to ensure that the medical, nursing and other staffing perspectives are integrated into fiscal decision-making, ensuring that the "quality of care" lens is applied to financial deliberations.

Objectives

In accordance with provincial regulations, the FAC shall:

- Budgetary Consultation: Review and provide recommendations on the Hospital's annual operating and capital budgets.
- Resource Allocation: Advise on the equitable and efficient allocation of resources to support high-quality patient care.
- Financial Impact Assessment: Evaluate the clinical implications of proposed fiscal measures or budget reductions.
- Strategic Alignment: Ensure that fiscal planning aligns with the Hospital's Strategic Plan and the Clinical Services Plan.
- Liaison: Facilitate open communication between the Common Board, Administration, and staff regarding the Hospital's financial health.

MEMBERSHIP

Regulation 965 stipulates specific representation. The membership shall include:

Voting Members: (all voting)

- The President & Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- The Chief Nursing Executive (CNE)
- Director of Human Resources
- The Chief of Staff (or designate)
- Staff representative of each class of employees

Non-Voting / Ex-Officio:

- Administrative leads or department heads may be invited as needed for specific agenda items.

Chairperson

The President & Chief Executive Officer (CEO) to act as Chair

- Call all meetings of the committee
- Chair all meetings of the committee
- Designate another member of the committee to chair the committee in the Chair's absence

RECORDER

Executive Assistant to the President & CEO

QUORUM

A quorum shall consist of a simple majority (50% + 1) of the voting members present.

FREQUENCY OF MEETINGS

The FAC shall meet twice a year or more frequently at the call of the chair.

MEETING VENUE

AMGH, SHH or Virtual Platform.

Meetings or proceedings may be recorded by audio or video means to ensure meeting minutes and document accuracy. Recordings are deleted after the meeting minutes have been approved.

CIRCULATION

Minutes are circulated to all FAC members and the Common Board

REPORTING RELATIONSHIP

The FAC is an operational committee that reports through the CEO to the Common Board with respect to the operation, use and staffing of the hospital. It shall report its findings and recommendations to the Common Board following each meeting. Minutes of the FAC shall be maintained and made available to the Common Board.

While the FAC may provide recommendations, there is no statutory requirement for the Hospital to implement recommendations from the FAC.

CONFIDENTIALITY

In the course of committee business, confidential information may become known to committee members. Members have a responsibility to keep such information confidential.

CONFLICT OF INTEREST

All Common Board and committee members have a duty to ensure that the trust and confidence in the integrity of the decision-making processes of the organization are maintained. Members will ensure that they are free from conflict, potential or perception of conflict in their decision-making. It is important that all Common Board and committee members be held accountable to understand and acknowledge their obligations when a conflict of interest, potential or perceived, arises.

REFERENCE

Reference Documents	• A Guide to Good Governance, OHA, 4th edition, 2025 • Regulation 965, Section 5 of the *Public Hospitals Act*
TOR Approval Process	• HHS Common Board of Directors 2026-04-30