ONTARIO PHARMACISTS’ ASSOCIATION (OPA)

HUMAN RESOURCES AND COMPENSATION COMMITTEE ("HRCC") CHARTER

1. Composition

   a) The Human Resources and Compensation Committee ("HRCC") is a Board Committee which shall be comprised of five members of the Board;

   b) A majority of the HRCC members shall be registered pharmacists in Ontario; and

   c) The Board Chair shall recommend the Chair of the HRCC who shall be a Board member, and they can decide if they wish to Chair this committee themselves.

2. Operating Principles

   The HRCC shall fulfill its responsibilities within the context of the following principles:

   a) Committee Values

      The HRCC will act in a manner that values the contribution of the staff and management of the OPA. It will operate in compliance with OPA’s Code of Conduct and policies.

   b) Communications

      The Chair and members of the HRCC expect to have direct, open and frank communications throughout the year with the CEO, other Committee Chairs and other key HRCC advisors as applicable.

      The Chair and members of the HRCC shall serve as counsel to the CEO on human resource matters brought forward by the CEO.

   c) Annual HRCC Work Plan
The HRCC, in consultation with the CEO shall develop an annual Committee Work Plan responsive to the HRCC’s responsibilities as set out in this Charter.

In addition, the HRCC, in consultation with the CEO shall develop and participate in a process for review of important human resource topics that have the potential to impact OPA’s effective operation.

d) Meeting Agenda

HRCC meeting agendas shall be the responsibility of the Chair.

e) Committee Expectations and Information Needs

The HRCC shall communicate its expectations to management with respect to the nature, timing and extent of its information needs. The Committee expects that all reasonably required and available information (including minutes) relating to each matter to be dealt with by the HRCC at its meetings will be received from management within a reasonable time frame in advance of each Committee meeting (e.g. 7 days).

f) Reliance on Experts

In contributing to the HRCC’s discharging of its duties under this Charter, each member of the HRCC shall be entitled to rely in good faith upon:

i) the reports of OPA represented to him or her by an officer of OPA or in a written report of external advisors with respect to the human resource policies of OPA or OPA’s compensation of executives; and

ii) any report of a lawyer, accountant, appraiser or other person whose profession lends credibility to a statement made by any such person.

g) In Camera Meetings

The members of the Committee shall meet in private session as part of each meeting, (i.e., without management present).
h) Reporting to the Board

The HRCC, through its Chair, shall report after each Committee meeting to the Board at the Board's next regular meeting.

i) Committee Self Assessment

The HRCC shall annually review, discuss and assess its own performance. In addition, the HRCC shall periodically review its role and responsibilities.

3. Operating Procedures

a) The HRCC shall meet at least twice annually, or more frequently as circumstances dictate. Meetings shall be held at the call of the Committee Chair or upon the request of two (2) members of the Committee;

b) A quorum shall be a majority of the members;

c) Unless the HRCC otherwise specifies, the Corporate Secretary of OPA (or his/her designate) shall act as Secretary of all meetings of the Committee;

d) To accommodate the planned and unplanned absences of the HRCC Chair, he or she should appoint an Acting Chair at the start of his or her term of office. In the absence of the Acting Chair, the Committee members present shall appoint an Acting Chair; and

e) A copy of the minutes of each meeting of the HRCC shall be provided to each member of the Committee and to each director of OPA in a timely fashion.

4. Terms of Reference

The responsibilities of the HRCC Committee will be the following:

a) The HRCC must gain and maintain reasonable assurance that there exists within OPA effective policies and practices to enable OPA to attract and retain the people required by OPA to meet the Strategic Plan.
b) The HRCC must also:

1. In conjunction with the Governance and nominating Committee (GNC), establish and maintain a job description for the CEO which reflects the Board’s delegation to the CEO of the powers and authority to manage the business and affairs of OPA;

2. After a thorough selection process and in accordance with the OPA’S Policy on CEO Salary and Benefit Package, Documenting and Reporting, recommend to the Board for appointment as the CEO, a person whom the HRCC believes is capable of managing the business and affairs of OPA in a manner which will enable OPA to achieve the Strategic Plan;

3. Recommend to the Board that the CEO be discharged when the HRCC believes he or she is no longer capable of managing the business and affairs of OPA;

4. Establish and approve the terms and conditions of the CEO’s employment by OPA;

5. Recommend to the Board and, once approved, communicate to the CEO a policy which defines the limits of the CEO’s powers, authority and accountability to the Board in managing the business and affairs of OPA;

6. Upon the recommendation of the CEO, review and recommend to the Board for approval the appointment of all other ‘officers’ of OPA and approve the terms and conditions of their employment by OPA – or any changes thereto;

7. To review and approve the recommendations of the CEO for the discharge and terms of severance for any officer of OPA;

8. Make recommendations to the Board regarding a formal process for annually assessing the performance of the CEO;

9. Establish and recommend to the Board for approval a comprehensive compensation program for the CEO;

10. Establish the criteria against which the performance of OPA and the CEO will be evaluated for the purposes of receiving any performance based rewards or compensation adjustments;
11. Conduct annual performance review of the CEO against the performance criteria approved by the Board and report thereon to the Board of Directors;

12. Review and, in consultation with the Audit and Finance Committee, recommend to the Board for approval, the annual compensation budget for OPA;

13. In collaboration with the CEO, develop a budget for the Office of the Chair and make a recommendation for representation at industry/stakeholder events, conferences or other functions which may be identified from time to time.

14. Perform such other functions as may from time to time be assigned to the HRCC Committee by the Board.

5. Duties

The essence of the Committee’s duties is monitoring and reviewing to gain reasonable assurance that the Human Resources and Compensation policies, procedures and practices of OPA (i) are being conducted effectively and in compliance with all applicable laws, statutes and regulations; (ii) are reasonable and appropriate in the circumstances given the nature of the organization and its strategy; and (iii) are sufficiently and accurately reported upon by management to the Board. Furthermore, the Committee enables and ensures that compensation, HR support, and Performance Evaluations are completed for the CEO.

6. Limitations on Committee’s Duties

In contributing to the Committee’s discharging of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

GOVERNANCE COMMITTEE APPROVED: JUNE 2009
BOARD APPROVED: JUNE 2009