

## **FISCAL PARAMETERS**

### **POLICY**

The President and Chief Executive Officer shall ensure that the Board is fully aware of the financial position of the corporation.

### **IMPLEMENTATION**

The President and Chief Executive Officer shall ensure that:

1. Prior to each fiscal year an operating budget and a capital expenditure budget are presented to the Board of Directors for its approval.
2. A monthly financial summary is provided to the Finance and Audit Committee for information. This summary will identify actual expenditures varying significantly from the approved annual operating plan.
3. Detailed summary financial statements are provided to the Finance and Audit Committee for review prior to submission to the MoHLTC and to the Board for approval on a quarterly basis. These summaries shall identify variances from the approved operating plan, key issues, risks and mitigating strategies and shall include a full fiscal year forecast.
4. Capital expenditures shall be in accordance with the capital budget approved by the Board and reported on a quarterly basis and shall include a full fiscal year forecast.

Notwithstanding the immediately preceding sentence, the President and Chief Executive Officer may authorize, without Board approval, unbudgeted urgent capital purchases aggregating less than \$100,000 in a fiscal year.

5. For any one project, total project costs within budget exceeding \$500,000 shall be approved by the Board. Total project costs are all of the costs to successfully implement a project including such costs as the general contractor, consultants, equipment, training, travel, minor equipment, contingency costs or other ancillary costs.

The President and Chief Executive Officer will obtain Board approval if total unbudgeted project costs for any one project will exceed \$100,000.

6. Operating leases and/or revenue agreements whereby the Hospital is forgoing capital costs exceeding \$100,000 will be approved by the Board.
7. New debt financing of any kind shall be approved by the Board.
8. Information will be brought to the Board for contracts with material labour relations implications related to outsourcing or material changes in service delivery prior to signing such contracts.

9. There is a due diligence procurement process that complies with all applicable legislation. The Board shall approve all contracts exceeding \$500,000.
10. Legislated withholdings, e.g. CPP, UIC, Tax, are paid on time. Legislated returns shall be filed in an accurate and timely basis. The Chief Financial Officer shall provide to the Board a quarterly compliance certificate to this effect.

## **RESPONSIBILITY/MONITORING**

The President and Chief Executive Officer shall ensure that documentation for all key financial matters including monthly financial statements and quarterly detailed analysis be prepared and presented to the Board.

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Approved: Board of Directors  
Date: Nov 3 2011, Nov 2014 (rc)