




Manual: Board of Directors

Title:	EXPENSE AUTHORIZATION LIMIT		No.: CA-265
Section:	Orientation/guidelines	Effective date:	2022-06-21
Issuing Authority:	Board of Directors	Date of last revision:	2022-03-15
Approver:	Board of Directors Denis M. Pelletier, Acting Chairperson 	Approved on:	2022-06-21
Facility(ies)/program(s):			

PURPOSE

As part of the planning cycle and strategic planning process, the Board of Directors (the “Board”), after carefully reviewing the Network’s operational plan and business plan (RHBP), approves the annual operating and capital budgets. Then, the President and Chief Executive Officer (the “CEO”) assumes responsibility for implementing the plan.

To facilitate implementation, the Board delegates some spending authority to the CEO. The Board also indicates that certain orders, contracts or other purchases exceeding the monetary limit stated below cannot be carried out without the authorization of the Board.

POLICY

1. REGULAR OPERATING BUDGET

Day-to-day operations as part of the approved budget and day-to-day contracts pertaining to regular operations.	Unlimited authority of the CEO
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2. CAPITAL BUDGET

Budget spending specified in the RHBP:	Unlimited authority of the CEO, except as indicated below where this requires Board approval
a) Acquisition of assets including information technology projects:	Over \$ 2,000,000
b) Needs for emergency funds that are not budgeted for. Any commitment exceeding the emergency funds submitted to the next regular Board meeting for approval.	Over \$1,000,000

3. PURCHASES AND OTHER CONTRACTS REQUIRING BOARD APPROVAL

- Mortgage loans/debts
- Contracts representing a commitment exceeding \$5,000,000 a year
- Any contract exceeding 10 years in duration
- Benefits plans
- Leases/rentals for office space and goods representing a commitment exceeding \$1,000,000 a year
- Customer service contracts (new contracts, cancellations, major amendments) representing a commitment exceeding \$5,000,000 a year

The Board will be informed of any contract which, in the CEO's opinion, could be of special interest to the Board members.

4. ACQUISITION OR TRANSFER OF CAPITAL ASSETS

All contracts for the acquisition or transfer of capital assets must previously be approved by the Board, except for contracts for the disposal of assets representing \$150,000 or less. Such contracts can be submitted to the Board for approval at the first scheduled meeting following the completion of the work covered by the transaction.

5. DESIGNATIONS

- 5.1 The CEO may designate signing authority limits for the Chief Financial Officer, vice-presidents and the other members of senior management who have specific responsibilities. An up-to-date list of all such designations is made available to the Finance and Audit Committee upon request.
- 5.2 The Network's vice-presidents completes a signing authority delegation form specific to the expenses for which they are directly responsible and have such

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delegation and any change made to it approved by the Chief Financial Officer and the Vice-President – Corporate Services.

Supersedes:	Zone 1: _____	Zone 5: _____
	Zone 4: _____	Zone 6: _____