Central West LHIN
RLISS du Centre-Ouest

GOVERNANCE POLICIES & PROCEDURES

Category	Number	Policy Title	Date Adopted	Review Schedule
Governance	**GP006**	**Financial Authority Policy**	**Last Review Date – March 27, 2013**	**Annually**

Purpose

To outline the delegation of financial authority for the CEO of the Central West LHIN

Application

The attached statements outline the authorities which are delegated to the CEO to make such decisions and then report them to the Board of Directors in the normal course of business. Decisions which exceed these delegations shall come to the Board for decision prior to implementation.

The following table describes the monetary limits on delegated authority.

In addition, the CEO shall assess other non-monetary considerations and, if the risk is excessive, items within the monetary delegations will be brought to the Board of Directors for consideration prior to implementation.

Regardless of monetary limits, the CEO is delegated to receive and allocate funding and report the decisions to the Board of Directors in the normal course of business under the following situations:

- The funds are part of a ministry funding formula/policy that cannot be altered by the LHIN (e.g. Long-Term Care per diem rate change)
- The funds are "recurring one-time" funds, when the annual net change in funds are within the delegation of authority (e.g. wait time funds)

LHIN Operations and LHIN Special Initiatives Budgets

Signing Authority Types	Board	CEO
Funding Acceptance-LHIN	Greater than $750,000	Less than or equal to $750,000
Expenditure a) In budget (Individual Item)	Greater than $200,000	Less than or equal to $200,000
LHIN Operations: **Budget Allocation** – Annual	Approval	Submits to Board of Directors
LHIN Operations: **Budget Allocation** – Update	Greater than 7.5% (Total)	Less than or equal to 7.5% - (Total)

HSP (Transfer Payment) Budget

Signing Authority Types	Board	CEO
Funding Acceptance	Greater than $1,500,000	Less than or equal to $1,500,000
Special Initiatives Funds (e.g. Urgent Priorities) a) base	Greater than $200,000	Less than or equal to $200,000 (not to exceed 20% of HSP Budget)
b) one-time	Greater than $500,000	Less than or equal to $500,000 (not to exceed 30% of HSP budget)

Signing Authority Types	Board	CEO
Agency Re-Allocation a) base	Greater than $200,000	Less than or equal to $200,000 (not to exceed 20% of HSP Budget)
b) one-time	Greater than $500,000	Less than or equal to $500,000 (not to exceed 30% of HSP Budget)
Cash Flow Capture a) one-time	Greater than $500,000	Less than or equal to $500,000 (not to exceed 30% of HSP Budget)

Signing Authority Types – Definitions

Funding Acceptance – LHIN	This relates to the mid-year acceptance of additional funding for the operation of the LHIN
Expenditure in Budget	This is the approval for expenditure of any single item where budgetary provision has been general in nature
Budget Allocation – Annual	This is the allocation of the annual operation budget of the LHIN.
Budget Allocation – Update	This is the allocation of any additional funding received by the LHIN for the operating activities of the LHIN

The following definitions will also apply to the allocation of the LHIN – Special Priorities Fund for Health Service Providers:

Funding Acceptance – HSP	This relates to the mid-year acceptance of additional funding for distribution to Health Service Providers within the LHIN

Agency Re-Allocation	
a) Base	This refers to the transfer of funds to a Health Service Provider that will form an ongoing part of their funding allocation, where the source of funds is due to a base cash flow capture
b) One-time	This refers to the transfer of funds to a Health Service Provider on a one-time basis where the source of fund is a one-time cash flow capture
Cash Flow Capture – One-Time	This refers to the in-year one-time withdrawals of funding from Health Service Providers
Cash Flow Capture – Base	This refers to the in-year base withdrawals of funding from Health Service Providers

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Amendment
This policy may be amended by the Board.

Prior Amendments:
January 23, 2008
September 27, 2011
Last Approval: March 27, 2013