



POLICY 3.04 – Limits of Spending Authority

Interior Health would like to recognize and acknowledge the traditional, ancestral, and unceded territories of the Dākelh Dené, Ktunaxa, Nlaka'pamux, Secwépemc, St'át'imc, Syilx, and Tsilhqot'in Nations, where we live, learn, collaborate and work together.

Interior Health recognizes that diversity in the workplace shapes values, attitudes, expectations, perception of self and others and in turn impacts behaviors in the workplace. The dimensions of a diverse workplace includes the protected characteristics under the human rights code of: race, color, ancestry, place of origin, political belief, religion, marital status, family status, physical disability, mental disability, sex, sexual orientation, gender identity or expression, age, criminal or summary conviction unrelated to employment.

1.0 PURPOSE

As part of the Strategic Planning Process, the Board, after a careful review of Management's Operating Plan, approves the supporting annual Operating and Capital Budgets. Responsibility for implementation of the plan then rests with the President and Chief Executive Officer (the "CEO").

To facilitate implementation, the Board delegates broad spending authorities to the CEO. In accordance with Article 2 (2.2) of the Bylaws, the Board also designates that certain orders and other contracts which exceed a stated monetary limit may only be entered into on written authority of the Board. The Bylaws also require that the Board authorize all contracts for the acquisition and disposition of real property.

2.0 OPERATING BUDGET

Routine Operations within approved budgets: Unlimited spending authority for the CEO, except as noted in 3.1.

2.1 Write-off of bad debts greater than \$5,000,000 (five million) to be approved by the Board.

3.0 CAPITAL BUDGET

Budget expenditures: Unlimited spending authority for the CEO, except as noted within this policy.

3.1 Asset acquisition packages greater than \$10,000,000 (ten million) including Information Technology projects will be individually approved by the Board.

3.2 Unbudgeted emergency capital requirements greater than \$10,000,000 (ten million) will be submitted to the next regularly scheduled meeting of the Board for approval.

Policy Sponsor: Board Chair	1 of 2
Policy Steward: Chief Financial Officer	
Date Approved: 19 June 2002.	Date(s) Revised: February 2019, May 2024
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3.3 Increases greater than \$10,000,000 (ten million) for an individual capital budget item will be approved by the Board.

4.0 ORDERS AND OTHER CONTRACTS REQUIRING BOARD APPROVAL

The following orders and other contracts to be submitted to Board for approval.

- 4.1 Mortgages/Debt
- 4.2 Any contract with a Term greater than 10 years
- 4.3 Contracts representing a commitment of more than \$10,000,000 (ten million)
- 4.4 Client Services Contracts (new, termination or amendments) representing a commitment of more than \$10,000,000 (ten million).
- 4.5 Operating leases representing a commitment of more than \$10,000,000 (ten million)
- 4.6 Benefit Plans
- 4.7 External Auditor contract

5.0 ACQUISITION OR DISPOSAL OF REAL PROPERTY

All contracts for the acquisition or disposal of real property must have the prior approval of the Board.

6.0 DESIGNATIONS

- 6.1 The President and Chief Executive Officer may designate limits of signing authority to the Chief Financial Officer, the Vice-Presidents and other senior corporate staff members with specific areas of responsibility. A current listing of all such designations is available to the Board Audit and Financial Committee upon request.
- 6.2 Vice-Presidents and senior corporate staff members will complete a similar delegation of specific signing authorities for expenditures under their direct control and have this designation and any changes thereto approved by the Chief Financial Officer.

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