

DELEGATION OF AUTHORITY G32

PREAMBLE

The Board of Directors embraces the principle of empowerment: that governance and management are more effective and efficient when they are separated – the Board being responsible for governance, and the CEO generally for management – and when management decision-making authority is delegated as far into the organization as is consistent with levels of competence and capacity. This is reflected in the Authorities Grid Policy G33.

POLICY

Within the limits and policies established by the Regional Colleges Act/Regulations, Bylaws, Charter, and the Board of Directors authority regarding various aspects of operations has been delegated to the CEO (and by the CEO to lower management levels) as outlined in this policy.

A **delegated approval level** means that approval decisions may be made up to this level as long as this is in compliance with the Regional Colleges Act/Regulations, Bylaws, Charter, Policy and Budget.

A **delegated reporting level** means that decisions made between the reporting level and the approval level must be reported to the next most senior position (in the case of the CEO, the Board) at the next regular opportunity to do so.

Staff shall not further delegate their authority provided by this policy.

PROCEDURES

Capital Expenditures

1. New capital projects “New Capital projects” includes the purchase or construction of land, buildings, property, plant, equipment and other capitalized assets.
 - All capital expenditures will be reflected in the Capital Plan and will be approved by the Board. Capital expenditures to be incurred outside of the Capital Plan need to be approved by separate motion of the Board. Policy G41 Capital Asset provides detailed information on Capital Asset categories and minimum capitalized value.
 - The Board delegates authority to the CEO to implement the Capital Plan. The CEO will provide the Board with quarterly reports on the Capital expenditures.

2. Capital Maintenance Projects

- “Capital maintenance projects” captures all work performed on existing buildings, property, plant, equipment and infrastructure of a capital nature (will be capitalized as part of assets).
- All capital maintenance expenditures will be reflected in the Capital Plan and will be approved by the Board. Capital maintenance expenditures to be incurred outside of the Capital Plan need to be approved by separate motion of the Board.
- The Board delegates authority to the CEO to implement the Capital Maintenance expenditures. The CEO will provide the Board with quarterly reports on the Capital maintenance expenditures.

3. Change Orders

- A Change Order occurs when there are changes to the original project specification. This typically has a financial implication.
- Change Orders resulting in an increase to the approved budget on a capital project or capital maintenance project will be approved by the Board.
- Expenditures will be reflected in the Capital Plan and will be approved by the Board. Capital expenditures to be incurred outside of the Capital Plan need to be approved by separate motion of the Board. Capital Asset provides detailed information on Capital Asset categories and minimum capitalized value.

Operating, Expenditures

1. Operating, General & Administrative Expenditures

- The Board approves the Operating budget. Wherein there is a net deficit to the approved budget, the variance must be approved by the Board.
- Wherein a net surplus is realized during the fiscal year, allocation of funds must be approved by the Board.

2. Employee Expense Claims

- The CEO’s expense claim is approved by the Board Chair and the Vice Chair or an alternate Board member.
- Expense reports for staff reporting directly to the CEO are approved by the CEO.
- All other staff expense reports are approved by the staff member’s immediate supervisor.

Execution of Legal Documents

1. Execution of Contracts, Leases, Rental and other Legal Agreements

- The execution of legal documents is the responsibility of the CEO or designate as per Policy G34 Decisions in CEO Absence. Prior to the CEO signature, the appropriate Director reviews the legal documents to ensure compliance within parameters (e.g. deliverables, budget, HR).
- The CEO must inform the Board of pending projects/agreements that are outside the approved budget.

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Commencing Legal Action

When the CEO is aware of pending legal action (e.g. Arbitration, lawsuit), the Board is informed immediately.

Write Offs

Approval Levels:	Board	CEO	VP of Corporate Services
Over \$50,000	X		
\$50,000 or less		X	
\$20,000 or less			X
Reporting required annually :		Between \$20,000 and \$50,000 reported to the Board	Between \$5,000 and \$20,000 reported to the CEO

- Includes the write-off of assets (receivables, investments, assets, etc.)

Investments

- All investments in equity or debt instruments and of treasury cash and liquid assets must be in accordance with the board-approved Investment Policy G42.

New Debt

- Borrowing limits are set by the Board for the purposes of temporary loans, over draft, or line of credit based on the Regional Colleges Act 21 (1).
- The Board as a whole monitor's new debt at least annually.

PROCESS

Review: at least once every 3 years in accordance with College By-laws.