



POLICY

POLICY SECTION Finance	POLICY NAME Approval Authority Policy	POLICY SECTION FIN
SUBSECTION	RESPONSIBILITY CEO (Chief Executive Officer)	APPROVED BY Board of Directors
EFFECTIVE/REVISED DATE January 2021	LAST DATE REVIEWED: February 2024	NEXT REVIEW DATE February 2026

POLICY DETAILS

POLICY:

The Board of Directors is responsible for all financial and legal matters relating to Lumenus Community Services (the “Agency”). The Board of Directors may delegate these responsibilities and its authority to the Chief Executive Officer (CEO) to ensure the efficient daily operation of the Agency. Any decision to delegate or revoke authority in any matter must be documented in the In-Camera Minutes of a Board of Directors Meeting.

PROCEDURES:

Annual operating budgets are prepared by the Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Corporate Services Officer (CCSO), Chief Financial Officer (CFO) and Director, Finance. These budgets are subject to approval by the Board of Directors and shall be documented in the Minutes of a Board of Directors Meeting. Any material changes to the budget that are not funded (more than \$90,000 or 0.1% of the total budget) must be approved by the Board Executive Committee and reported to the Board of Directors.

Expenses incurred directly by the CEO shall be approved by the Board Executive.

The Board of Directors of the Agency hereby delegates the following duties and responsibilities to the CEO, COO, CCSO, CFO, Strategic Directors and Director, Finance of the agency:

1. **Approval of Expenditures and Purchase Contracts**

All expenditures shall comply with the Agency’s Procurement and Purchasing Policy. Individuals may approve expenditures that are within the agency’s approved budget or funded through a funder contract amendment as follows:

- Managers may approve purchases of up to \$15,000.
- Directors can approve purchases up to \$25,000.
- Strategic Directors and Finance Director up to \$50,000.
- COO, CFO and CCSO up to \$200,000.
- All amounts over \$200,000 are approved by the CEO.

Expenditures that are not within the agency's approved budget or funded through a funder contract amendment may be approved as follows:

- Up to \$30,000 by the CEO or Board Executive
- Greater than \$30,000 by the Board Executive.

Due to the nature of special needs expenses, the Special Needs Director can approve up to \$25,000 and the Strategic Director, Special Needs can approve expenses more than \$25,000. A list of all approved special needs expenses must be reviewed monthly by the Strategic Director and quarterly by the CEO, COO, CCSO and CFO.

2. Cheque-Signing Authority

The Board of Directors specifies authority to approve payments for services and financial commitments of the agency. Funds will be disbursed only upon proper authorization by management and only for valid business purposes. All disbursements will be initiated only from properly authorized documentation and will be properly recorded. No cheques or Electronic Funds Transfers (EFTs) may be made out to cash. No authorized cheque signer may sign a blank cheque.

The board shall designate the members of the Board Executive Committee, CEO and Senior Management Team as confirmed via Board approved banking resolution and shall include the following positions:

- Board Treasurer
- Chief Executive Officer (CEO)
- Chief Operating Officer (COO)
- Chief Corporate Services Officer (CCSO)
- Chief Financial Officer (CFO)
- Strategic Directors, Client Services
- Director, Finance

Two signatures are required on all cheques and EFTs issued by the Agency as follows:

- Up to \$99,999 by either of the two designated Strategic Directors or One Strategic Director and Director, Finance.
- Equal to or more than \$100,000 any two of the CEO and COO, CCSO or CFO
- In the event of the absence of the CEO, the COO and either the CCSO or CFO may sign cheques or EFTs providing that a schedule of cheques or EFTs signed is presented to the CEO for review and sign-off upon their return.
- In the absence of two signatories of the CEO, COO, CCSO and CFO, a signature of one of the CEO, COO, CCSO or CFO along with a signature of one of the approved Board Executive members

A list of payments to vendors over \$121,200 will be reviewed by the CEO quarterly for reasonableness and for spot checks to supporting documentation.



All individuals with cheque signing authority must have a clear criminal background check that includes any criminal activity, and the check is confirmed annually.

3. Authority to Enter into Memorandum of Understanding:

Directors can approve non-monetary MOU's if the Strategic Director has been informed and a copy of the agreement is filed with the CAO prior to initiation.

5. Authority to Enter into New Funding Agreements:

The CEO is the only employee who can sign new funding agreements with the approval of the Board of Directors.

6. Hiring, Approval of Salary Increases and Termination of Agency Staff

- Directors and Managers are authorized to hire staff to provide services for their programs provided salaries and benefits are within the Agency's operating budget.
- The CEO is authorized to approve staff salary grid increases to a maximum of \$10,000 for any position provided the existing operating budget permits.
- Prior to terminating the employment of a staff member, the CCSO may obtain legal advice and may seek the advice of the CFO, COO, CEO or the Executive Committee of the Board.
- The CEO must get the Board of Directors' approval before ending the employment of COO, CCSO, CFO or Strategic Directors.

7. Agency Credit Cards

- The CEO is authorized to approve the issuance of agency credit cards to identified Officers or Directors for business purchases.
- All agency credit cards shall not exceed an aggregate limit of \$300,000.
- All receipts for goods and services paid for by agency credit cards shall be submitted to the Finance office for payment in accordance with the Credit Card Policy.
- Expenses incurred by the CEO on his/her credit card shall be reviewed and approved by a member of the Executive Board.
- Use of Agency credit cards for anything other than Agency business may result in the immediate cancellation of the credit card, payroll deduction of the amount incurred and possible disciplinary measures.

8. Emergency Situations

In the event of an emergency whereby the CEO is unable to perform his/her duties and responsibilities to the Agency, management staff and Board members shall follow the Lumenus Business Continuity Management Framework Policy.



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2/26/2024

Chief Corporate Services Officer

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3/7/2024

Chief Executive Officer

