



ADMINISTRATIVE MANUAL Policy

TITLE: Financial Signing Authority	NUMBER: 132.1
Sponsor: Chief Operating Officer	Page: Page 1 of 16
Approved by: Board of Directors	Approval Date: December 2, 2018
	Effective Date: April 1, 2019
Applies To: IWK Health Centre Employees and Agents	

Table of Contents

PREAMBLE	1
POLICY.....	2
GUIDING PRINCIPLES	2
PROCEDURE	3
Delegation of Signing Authority.....	3
Responsibility.....	4
Accountability and Enforcement.....	5
REFERENCES	5
RELATED DOCUMENTS	6
Forms.....	6
Policies.....	6
APPENDICES.....	6
Appendix A - Departments Authorized to Enter into Agreements within the IWK.....	7
SCHEDULE B – IWK Board Delegation of Signing Authorities.....	15

PREAMBLE

The purpose of this policy is to:

1. Ensure best practices in the administration of the IWK Health Centre’s (IWK) financial resources and assets through a consistent centre-wide framework of signing authority and delegation of that authority where appropriate.
2. Provide clarity of roles and responsibilities so as to enable administrators and others to manage their areas of responsibilities in an effective, efficient and transparent manner; and,
3. Outline the delegated authority consistent with the authority set out in the IWK

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

Corporate By-Laws.

4. Ensure sound financial accountability and control of public funds entrusted to the IWK in compliance with appropriate policies, laws, regulations and directives issued by the Department of Health and Wellness.

POLICY

1. The Board of Directors of the IWK has overall oversight in relation to the business and affairs of the IWK. The Board may, in turn, delegate to the President and CEO and management signing authority and responsibility and concomitant authority for the management and operations of the IWK in accordance with the Health Authorities Act (Nova Scotia) and the corporate by-laws for the IWK.
2. Authority is delegated by appointment to a position. While this authority may be delegated, financial accountability rests with the individual with the original signing authority, regardless of any delegation of signing authority made.
3. No person shall sign any document that creates an obligation or undertaking on behalf of the IWK unless the individual has signing authority in accordance with this Policy and the attached **Appendix A**
4. All IWK employees and persons acting on behalf of IWK share in the overall responsibility for the sound stewardship of financial resources and assets and each person has a personal responsibility to understand and comply with the IWK policies, control procedures and operating system.

GUIDING PRINCIPLES

1. Compliance with Legislation and Policies of the IWK

- 1.1. The IWK, its employees, directors, medical staff and agents are entrusted with public funds from the Government of Canada and the Province of Nova Scotia in accordance with relevant laws and regulations. The IWK is committed to and responsible for ensuring consistency and accountability of the management of these public funds pursuant to the laws of Canada and Nova Scotia and the policies of the IWK.

2. Provision of a Clear and Transparent Framework for Delegation of Authority

- 2.1. The IWK puts in place and monitors a framework that provides that clear and transparent processes are established and maintained for the exercise of signing authority and for the delegation of signing authority to persons authorized to make financial and binding commitments on behalf of the IWK.
- 2.2. The requirements of this policy must not be circumvented by subdividing payments, invoices or contracts to bypass authorizations as this would go against the spirit of the policy. As such, subdivision of payments, invoices, or contracts to alter authorizations is strictly prohibited.

3. Financial Stewardship

- 3.1. The IWK, its employees, directors, medical staff and agents ensures sound stewardship of all resources and assets and that risk management processes are established and maintained to support effective and informed decision-making, as well as provide consistent accountability and reporting throughout the IWK.

4. Reputational Stewardship

- 4.1. The IWK, its employees, directors, medical staff and agents ensures the protection, maintenance and accountability to the public for its earned reputation within the scope of their responsibility and control as a healthcare environment based on the values of excellence, best practices and integrity.

5. Ethical Conduct

- 5.1. All persons acting on behalf of the IWK complies with the highest standards for ethical conduct and fiduciary responsibility and makes every effort to avoid situations that would create an actual or perceived conflict of interest. Should a conflict of interest be identified, the IWK ensures appropriate disclosure and mitigation actions are undertaken in compliance with policy statement and with the Conflict of Interest Policy and procedures established for the IWK.

PROCEDURE

Delegation of Signing Authority

1. The level of authority required to enter into agreements relating to the operation of the IWK and to bind the IWK to the terms of such agreements shall be as set out in Appendix A of this Policy.
2. The delegation authorities listed in Schedule A have been duly authorized by the IWK Board of Directors. This formal delegation to employees of the organization is contained in **Appendix B**.
3. Note that electronic system approvals are referenced in **Section H of Appendix A** as a footnote. This refers to approval levels built into the SAP Financial and Material Management Systems.
4. Further delegation of signing authority **outside of the parameters established in Appendix A** may be considered by the Chief Operating Officer if the following criteria are met:
 - 4.1. The delegation will enhance the effectiveness and efficiency of operations without risking the integrity of internal controls necessary for accountability;
 - 4.2. The employee receiving such delegation requires such authority to efficiently and effectively carry out his/her responsibilities.
 - 4.3. The person receiving the delegation has the expertise to use the delegated authority appropriately and knowledgeably.
 - 4.4. The delegation must be in writing and shall include the identification of the employee to whom the authority is being delegated, and an outline of the scope of

delegation.

- 4.5. Any expenditure commitment must be part of an approved budget and shall not exceed the expected amount of the budget.
 - 4.6. The authorized dollar amounts as outlined in **Schedule A** shall not be exceeded; and,
 - 4.7. There is a process in place to ensure monitoring and periodic review/audit of the delegated responsibility.
5. An alternate delegated authority may be designated for short-term absences/unavailability, such as vacations and sick leave. This alternative delegation of authority is used to expedite business transactions, such as invoice payment approval or minor procurement approval. It is not intended for the authorization of major transaction activity such as contract approval. Urgent contract approval required during absences / unavailability of the staff person with primary signing authority is to be approved by the appropriate Director, Vice President, Chief Operating Officer or the President and CEO.
 6. The President and CEO may change, revoke, or amend previously delegated signing authority if a delegate does not abide by the parameters for approval as set out in this policy.
 7. A record of the IWK staff that are authorized signing authority is maintained through Financial Services. This includes a current report of the name and title of persons having delegated signing authority, their level of authority, the cost centres for which they have signing authority and a signature specimen.

Responsibility

1. Persons with signing authority have the responsibility to assure themselves that:
 - 1.1. There is no potential and/or perceived conflict of interest for any transaction they approve. If there is a conflict of interest, perceived or otherwise, it must be declared in accordance with IWK Health Centre Conflict of Interest Policy and appropriate steps will be taken as defined by the Policy.
 - 1.2. They have considered whether the transaction/agreement can stand up to scrutiny by auditors and the public.
 - 1.3. The Health Centre is able to meet its obligations under the agreement which is being signed.
 - 1.4. The agreement is compliant with the laws of Canada and Nova Scotia and with the mandate, vision, values and policies of the IWK.
 - 1.5. The appropriate levels of approval have been obtained within the IWK for the agreement by completing the **Contract – Executive Summary** and that appropriate risk mitigation plans are operational in the management of any identified significant risk.
 - 1.6. Intellectual property matters have been properly considered in accordance with IWK policies and the policies of the other parties to the agreement and that the agreement is consistent with the current plan, budget, collective agreement and the business plan for the IWK.

2. When determining the appropriateness of signing directly, or delegating under the authorities contained within this policy, all persons with signing authority will exercise good judgement within the context of **both** safe patient care and responsible resources stewardship.

Accountability and Enforcement

1. The IWK and its employees, directors, medical staff and agents within their area of control and accountability ensures compliance with and enforcement of the procedures and protocols set out in this policy.
2. If the proper authorization as per this policy is not evidenced on the source document (i.e. agreement, requisition, invoice, etc.) it will not be processed.
3. If there is found to be any reason to believe there is an irregularity or impropriety with respect to the administration of this policy or a financial commitment, the Chief Operating Officer investigate and, if necessary, take the appropriate course of action to ensure the sound stewardship of funds and resources.
4. Notwithstanding the provisions of this policy in relation to delegation, the Chief Operating Officer will bring to the attention of the CEO and the Board, through the CEO, any issue which has the potential to materially and negatively impact the financial, legal, or reputational risk exposure of the IWK.

REFERENCES

Health Authorities Act, S.N.S. 2p14, c. 32 (*effective April 1, 2015*)

RELATED DOCUMENTS

Forms

- Contract – Executive Summary
- SAP Approval Levels
- Signing Authority Form
- Signing Authority Guidance

Policies

- IWK – 135.0 Conflict of Interest
- IWK – 503.1 Payment Authorization Policy
- IWK – 402.1 Procurement Policy

APPENDICES

- **Appendix A** - Departments Authorized to Enter into Agreements within the IWK
- **Schedule B** - Board Delegation of Signing Authorities

Appendix A - Departments Authorized to Enter into Agreements within the IWK

The following persons are hereby authorized¹ to enter into financial and contractual agreements on behalf of the IWK, in accordance with the following terms and conditions:

A. Corporate Seal

Document Description	Dept. Responsible	Signing Authority	With Approval / Delegation from:
Corporate Seal	Legal Services	Any two of: Board Chair, Vice-Chair President & CEO Chief Operating Officer	Board of Directors
Trademark License	Legal Services	Chief Operating Officer & General Counsel	President and CEO

B. Purchase, Sale and Disposal of Assets

Agreements/documents that involve easements, sale, disposal or purchase of real property (land and building)

Document Description	Dept. Responsible	Signing Authority	With Approval / Delegation from:
Acquisitions by Gift, Purchase, etc.	President and CEO	President and CEO & Chief Operating Officer	Board of Directors
Sales and Disposals	President and CEO	President and CEO & Chief Operating Officer	Board of Directors

¹ Except where the financial or contractual agreement is with an individual, or a party related (see below) to the individual, who has signing authority, in which case approval is required by that individuals' appropriate supervisor who also has signing level authority for the contractual agreement in question. The contractual agreement could take the form of a contract, requisition, purchase order, cheque requisition, invoice, etc.

A *related party* exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. A related party can be an entity or an individual and also includes close family members.

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

C. Leases

Agreements that involve the leasing of real property or equipment. Not including capital leases as these would fall under **Section F** or Banking (Borrowing Resolutions) that would require written approval from the Minister. Prior to approval and signing of a lease, forward a copy to the Director of Finance to ensure it meets the accounting standards for an operating lease.

Document Description	Dept. Responsible	Signing Authority	With Approval/Delegation from:
Lease < 5 years	Individual Departments	Chief Operating Officer & Responsible Director	President and CEO
Lease > 5 years	Individual Departments	President and CEO & Chief Operating Officer	Board of Directors
Standard Lease Payments***	Financial Services	Responsible Director	Chief Operating Officer

*** Standard lease payments against approved contracts (including premises, vehicle and equipment leases).

D. Building Construction, Alteration and Capital Development

The construction of new buildings and for additions, alterations or renovations to existing buildings as well as to site services and landscaping, subject to the expenditure item being part of the Board approved operating and capital budget; such contractual obligations are to be duly executed under Seal (as required) as follows:

Document Description	Dept. Responsible	Signing Authority	With Approval/Delegation from:
<\$2,500	Facility Services	Supervisor, Plant Maintenance and Operations	Director of Facilities
\$2,500 - \$50,000	Facility Services	Director of Facilities & Mgr. Facilities	Chief Operating Officer
\$50,000 - \$100,000	Facility Services	Chief Operating Officer & Director of Finance	President and CEO
> \$100,000 ***	Facility Services	President and CEO & Chief Operating Officer	Board of Directors
Planning and Architects > \$100,000***	Facility Services	President and CEO & Chief Operating Officer	Board of Directors

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

*** Public Tender/RFP required for construction projects and planning and architect services > \$100,000

E. Research Grants and Special Projects

For research contracts, the officers designated below may sign all accessory documents and perform all acts imposed upon or permitted by the IWK by virtue of the research agreement and such accessory documents. For multi-year contracts – if the document value, prorated on an annual basis, is within the approval limits – signing authority applies.

Document Description	Dept. Responsible	Signing Authority	With Approval/ Delegation from:
Research Agreements < \$100,000 ***	Research Services	Manager Research Administration & Director of Research Operations	VP, Research
Research Agreements >\$100,000 ***	Research Services	Director of Research Operations & VP, Research	President and CEO
Proprietary Rights for Inventions – Patent, Copyright, Trademark, Trade Name	Research Services	Director of Research Operations & VP, Research	President and CEO
Interest in Inventions	Research Services	Director of Research Operations & VP, Research	President and CEO
License	Research Services	Director of Research Operations & VP, Research	President and CEO

*** Research agreements include: application for grants/clinical trials, contribution agreements, material transfer agreements, confidentiality agreements

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

F. Banking and Transactions

Document Description	Dept. Responsible	Signing Authority	With Approval/ Delegation from:
Line of Credit	Financial Services	President and CEO & Chief Operating Officer	Board of Directors
Investments	Financial Services	Any two of: Board Chair, Vice-Chair President & CEO Chief Operating Officer	Board of Directors
Banking Contracts	Financial Services	Any two of: Board Chair, Vice-Chair President & CEO Chief Operating Officer	Board of Directors
Banking Resolutions	Financial Services	Any two of: Board Chair, Vice-Chair President & CEO Chief Operating Officer	Board of Directors
Borrowing Resolutions (including capital leases)	Financial Services	Any two of: Board Chair, Vice-Chair President & CEO Chief Operating Officer	Board of Directors
Bank Signing Authority***	Financial Services	Various ***	Board of Directors

*** Refer to the Payment Authorization Policy for the authorized signing authorities and approval thresholds in relation to Electronic Funds Withdrawals, PAD's, Wires, cheques and other orders for the payment of money.

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

G. Employment

Document Description	Dept. Responsible	Signing Authority	With Approval/ Delegation from:
Appointment letters <ul style="list-style-type: none"> ▪ Senior Management ▪ Other employees ▪ Independent contractors 	People Services	Director, Human Resources & Hiring Manager	President and CEO & VP, People and Organizational Development
Any Service or Agreement in which Employment Status is an Issue	People Services	Director, Human Resources & Resp. Manager	VP, People and Organizational Development
Collective agreements	People Services	Chief Operating Officer & VP People and Organizational Development	President and CEO
Employment Position : Advertising / Job Posting	People Services	Director, Human Resources & Hiring Manager	VP, People and Organizational Development
Return for Service / Secondment Agreements	People Services	Director, Human Resources & Director, Program	VP, People and Organizational Development
Student Recruitment Materials / Activities Including Advertising	People Services	Manager, Learning and Development	Director, Human Resources
Severance Terms	People Services	Director, Human Resources & Corresponding Director	Chief Operating Officer & VP, People and Organizational Development

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

H. Purchasing (Goods and Services)***

- Note: The completion of an **Executive Summary Overview** is required for the first time establishment of a contract for the ongoing purchase of Goods and Services upon initial notification to the Department Responsible by the Procurement Department.

Document Description	Dept. Responsible	Signing Authority	With Approval/ Delegation from:
< \$2,500	Individual Departments	Designated staff	Cost Centre Manager
\$2,500 - \$25,000	Individual Departments	Cost Centre Manager	Responsible Director
\$25,000 - \$50,000	Individual Departments	Responsible Director & Responsible Manager	Responsible VP
\$50,000 - \$250,000	Individual Departments	Chief Operating Officer & Director of Finance	President and CEO
> \$250,000	Individual Departments	President and CEO & Chief Operating Officer?	Board of Directors
Insurance Contract	Legal Services	Chief Operating Officer & General Counsel	President & CEO
Physician Contract	Medical Staff	VP, Medicine & President & CEO	President & CEO
Credit Card Expense Reports	Individual Departments	See Note 1 below	Chief Operating Officer
Cheque Requisitions (including Travel)	Individual Departments	See Note 1 below	Chief Operating Officer
Vendor Invoice Approval	Individual Department	See Note 2 below	President & CEO

***Refer to SAP Approval Levels document

Note 1: Cheque requisitions (including travel) and credit card expense reports require approval as per their respective Policy.

Note 2: The expectation is that all goods and services will be issued via approved purchase order as per the Procurement Policy. As an added measure of control, vendor invoices also require signature approval based on the criteria as outlined in the Vendor Invoice Approval guidelines.

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

I. Partnership and Other Agreements

Document Description	Dept. Responsible	Signing Authority	With Approval/Delegation from:
Memorandum of Understanding, Letters of Intent	Individual Departments	Responsible Director / VP & per Note 1 below	President & CEO
Partnership Agreements	Individual Departments	Responsible Director / VP & per Note 1 below	President & CEO
Shared Service Agreements	Individual Departments	Responsible Director / VP & per Note 1 below	President & CEO

Note 1 – And per compliance with signing authority policy categories A through H & J, as applicable.

J. Consulting Contracts

All requisitions for contracts engaging consulting expertise require the approval of the Vice President responsible for the department. All consulting engagements require a valid purchase order issued through the Procurement Department.

Exception: renovation and construction consulting contracts require approval as per the **Building, Construction, Alteration and Capital Development** authority above.

Document Description	Dept. Responsible	Signing Authority	With Approval/Delegation from:
Consultants < \$25,000	Individual Departments	Responsible Director Or Responsible VP	Chief Operating Officer
Consultants > \$25,000	Individual Departments	Chief Operating Officer & Responsible VP	President and CEO
Audit Services	Financial Services	Board of Directors	Board of Directors
Legal Services	Legal Services	General Counsel	President and CEO

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

K. Settlement Agreements

Any document that settles a legal claim against the IWK. A legal claim includes a civil action, or complaint before a judicial or quasi-judicial tribunal or any other action that potentially engages the liability of the IWK.

Document Description	Dept. Responsible	Signing Authority	With Approval/ Delegation from:
Settlement Agreements ▪ Insured	Legal Services	General Counsel	President and CEO
Settlement Agreements ▪ Uninsured	Legal Services	General Counsel & Chief Operating Officer	President and CEO & Board of Directors

L. Other Documents

Document Description	Dept. Responsible	Signing Authority	With Approval/ Delegation from:
Financial Reporting Documents	Financial Services	Director Finance	President and CEO & Chief Operating Officer
Financial Forecasting	Financial Services	(under development)	(under development)
Internal Budget Changes	Financial Services	(under development)	(under development)

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

SCHEDULE B – IWK Board Delegation of Signing Authorities

The Board of Directors is accountable for the management and control of the IWK Health Centre and its resources. As part of this accountability, the Board must limit signing authority to reduce risk and provide for on-going operational needs of the organization.

Article 14.3.1 of the Izaak Walton Killam Health Centre Corporate Bylaws authorizes any two of the Chair of Board, Vice-Chair of Board, Chief Operating Officer and President and CEO to sign documents on behalf of the IWK Health Centre, including but not limited to, agreements, deeds, conveyances and contracts and permits further delegation of signing authority.

In recognition that ongoing operations require delegation of this authority to other administrative officers of the Health Centre, the Board of Directors, through a resolution passed at the Board of Directors on December 2, 2018 approved the Signing Authority Policy and delegated signing authority to those set out in **Schedule A** of the Signing Authority Policy (132.1), subject to the procedures and restrictions set out in Health Centre policy.

Dated this ___ day of December, 2018

Per: _____
Board Chair

Per: _____
Chair, Financial Audit & Risk
Management Committee

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

District Health Authority/IWK Policies Being Replaced

Version History

(To Be Completed by the Policy Office)

Major Revisions (e.g. Standard 4 year review)	Minor Revisions (e.g. spelling correction, wording changes, etc.)

This is a CONTROLLED document for internal use only. Any documents appearing in paper form are not controlled and should be checked against the electronic file version prior to use.

OP3PO150710