

Finance Department - POLICY

Effective Date: July 2005  
Reviewed: January 2009  
Revised: May 2012

Issued By: Senior Vice-President, Finance

Approved by: Board of Directors

Title: DELEGATION OF FINANCIAL AND SIGNING AUTHORITY POLICY

**Policy Number: VII-a-25-44**

**Key Words:** delegation, signing authority, purchasing, contracts, segregation of duties, expenditure, financial administration, approvals, financial commitment, trust and fund accounts, signing officer, capital commitment

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**Application:**

This policy applies to all hospital units, departments, councils, clinics, trust and fund accounts, Samuel Lunenfeld Research Institute (SLRI) and all clinical staff with privileges.

**Definitions:**

**Consulting services** means the provision of expertise or strategic advice that is presented for consideration and decision-making. Examples of Consulting Services include:

- (i) management consulting (i.e. helping the organization improve its performance, primarily through the analysis of existing problems and development of plans for improvement. This includes organizational change management assistance and strategy development);
- (ii) Information Technology consulting (i.e. advisory services that help clients assess different technology strategies, including aligning their technology strategy with their business or process strategy);
- (iii) technical consulting (i.e. activities related to actuarial science, appraisal, community planning, employment/placement, engineering, health sciences, interior design, realty, social sciences);
- (iv) policy consulting (i.e. the provision of advisory services to provide policy options, analysis and evaluation); and
- (v) communication consulting (i.e. the provision of strategy and advice in conveying information through various channels and media).

Consulting Services do not include services in which the physical component of an activity would predominate (e.g. services for the operation and maintenance of a facility; temporary help services; training/education instructors and photography).

**Consultant means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.**

**Financial Commitment** means any obligation, by way of requisition, contract, purchase order, lease,

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or any other agreement or arrangement eventually settled through either cash payment or exchange of equipment, goods or services of equivalent value. Goods, services or equipment ordered for an evaluation period are financial commitments, regardless of the dollar value, made on behalf of the Hospital.

**The value of a financial commitment** means the total indebtedness to be incurred by the Hospital over the entire (minimum) term of the agreement, excluding all applicable sales taxes. Contingent liabilities should be assumed to be payable for the purposes of calculating the value of the commitment.

**Capital Commitment means** a financial commitment for assets such as land, buildings, furniture and equipment, including IT software and equipment, that are held for use in the provision of services with a value of \$5,000 or more and building/ renovation, IT or business development projects (including equipment, where applicable) with a value of \$20,000 or more and; more than one year useful life.

Sole/Single Source (for complete information refer to Procurement Policy)

- Sole Source means the use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of the goods or services.
- Single Source is the use of a non-competitive procurement process to acquire goods, services or construction from a specific supplier even though there may be more than one supplier capable of delivering the same goods, services or construction.

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**Purpose:**

The purpose of this policy is to document in writing, as required by the Hospital's General By-laws, the Board of Directors' delegation of authority and accountability for financial administration to the President & Chief Executive officer and senior managers of the Hospital. This policy is intended to support an effective system of financial administration that satisfies organizational and managerial requirements for sound financial stewardship, accountability and control.

**Principles:**

1. Approval by the Board of Directors of the Hospital Budget confers authority and accountability to the senior managers of the hospital to make expenditures within the amounts and scope of the accounts allocated to them in the budget.
2. Delegation of Authority shall be established along the lines of the Hospital's organizational structure at the highest practical positions. Signing authority is delegated by virtue of appointment to a position.
3. Regardless of any delegation of signing authority made, financial accountability rests with the individual with the original signing authority.
4. Signing officers will not authorize procurements or payments when they are the direct or indirect beneficiaries, or for expenses that may have a personal benefit to them (e.g., travel expense claims, cell phones etc.). The person of next higher authority must approve such transactions.
5. Signing officers must comply with the intent of this policy. In particular, staff shall not circumvent the established limits by subdividing payment, invoices or contracts into smaller amounts.
6. The hospital is the custodian of trust and fund accounts. The operation of these accounts is governed by standards established by the funding agency. All transactions in a trust or fund account receive the same scrutiny of internal control processes as regular hospital transactions.

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7. When processing financial and capital commitments, there shall be appropriate segregation of duties. In accordance with Broader Public Sector Supply Chain Guidelines, at least **three** of the following functions must be appropriately segregated and performed by different individuals with respect to a commitment namely

**Requisition:** Authorize purchasing or place an order

**Budget:** Authorize that funding is available to cover the cost of the order

**Commitment** (PO Issue, generally performed by Purchasing): Authorize release of the order under agreed-upon contract terms

**Receipt** (generally performed by Receiving): Authorize that the order was physically received, correct and complete

**Payment** (generally performed by Finance, Accounts Payable): Authorize release of payment to the supplier

Hence, all commitments prior to payment processing will need a minimum of two written approvals, one approving the commitment and one evidencing receipt of goods or completion of services.

**Policy:**

8. All financial and capital commitments shall be authorized and approved by designated signing officers, in accordance with Appendix 1.
9. Commitments must relate directly to the mandate of the signing officer's unit within the limits set out in this policy and within approved budgets. Where budgets are likely to be exceeded, signing officers must ensure measures are in place to address deficits.
10. All signing officers are expected to act in good faith in the best interests of the Hospital and at all times avoiding conflicts of interest. In circumstances where conflicts of interest exist or could be seen to exist, signing officers must declare the conflict and adhere in all other respects the Hospital's Conflict of Interest policies.
11. All signing officers shall comply with the Hospital's procurement policy, including open and competitive bidding, where applicable and bid thresholds as per Appendix 2. Waiver from the competitive process requires an approved Sole or Single Source Certification form found in the Hospital Procurement Policy. Approvals for sole/single sourcing are noted in footnotes to Appendix 1.
12. **Under no circumstances may public funds be used to purchase lobbying or government**

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**relations services.**

13. Signing officers may further delegate or change signing authority limits of subordinate staff, up to the limits of the person delegating signing authority as permitted in Appendix 1, in the Delegation of Authority Form - Appendix 3. Such delegations must be in writing and approved by the Senior /Vice President of the operating unit and the Senior Vice President, Finance.
14. No authority under this policy shall be delegated to an acting person or to a person in a contract position on a permanent basis unless approved in writing, by the immediate supervisor, Senior/ Vice President of the operating unit and the Senior Vice President, Finance.
15. Temporary delegations not exceeding four weeks, such as for vacation replacement shall only require the approval of the immediate supervisor (minimum manager) to the position whose authority is being delegated. Such delegations shall be to another Manager who is at the same level or higher in the organizational structure, must be in writing and filed with Finance.
16. Transactions should be approved by all positions indentified up to the approval authority required for the particular commitment.
17. The President and Chief Executive Officer may make non-substantive changes to this policy to reflect changes to the titles of positions, the deletion of positions, and; the addition of positions directly comparable to those included in this policy.

**Responsibilities:**

**Signing Officers**

18. Before signing a document (commitment), a signing officer must be satisfied as to the following and must be prepared to take responsibility that:
  - the document is within the responsibility of the signing officer through the authority of the Hospital's approved budget, or other policies and procedures
  - the Hospital is able to meet its obligations within the terms of the document and that the other party (ies) is reasonably likely to meet theirs
  - the document complies with labour legislation, employee collective agreements and manuals, tax legislation, and other legislative, regulatory, Hospital policy and procedures
  - there is evidence that commitments comply with Hospital procurement and applicable policies, including open, competitive bidding guidelines
  - the appropriate level of approval has been obtained for the document

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- wherever there may be a potential or perceived conflict of interest, the conflict is declared in accordance with Hospital Conflict of Interest Policies and appropriate steps taken as defined in the policy
- financial and other benefits to or liabilities relating to the document have been considered, are reasonable and manageable
- the intellectual property elements have been thoroughly considered
- appropriate indemnities and insurance have been provided for (consult with legal counsel, as necessary)
- appropriate legal review has occurred

**Senior Management and other staff members to whom budgets are allocated**

19. Senior management and staff to whom budgets are allocated shall:

- ensure that appropriate internal controls are established and maintained within their respective areas of responsibility
- ensure signing authority is documented with the Delegation of Authority Form and are current as responsibilities change within their department (i.e. Managers assigned new cost centres)
- ensure measures are in place to address deficits i.e. when expenditures are over budget
- review monthly operating statements to ensure that expenditures are reasonable and that charges are correct and properly recorded in the accounting records
- review weekly payroll reports to ensure time is recorded properly

**Finance Department**

20. The Controller, General Accounting shall

- maintain an up-to-date file/ database of specimen signatures and related documentation of signing authorities
- implement measures to monitor compliance with this policy
- ensure appropriate access is available to areas that require access to this database e.g. Payroll.
- 

21. The Senior Vice President, Finance is responsible for management of this policy including policy education, monitoring, implementation and amendment.

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**References:**

Conflict of Interest Policy

Purchasing Policy and Procedures, including Standard Operating Procedures for Procurements

Supply Chain Guideline April 2009

**List of Appendices:**

**Appendix 1: Signing Authority Limits**

Table 1 – Financial Commitments

Table 2 – Capital Commitments

Table 3 – Revenue Contracts, Agreements and Services

Table 4 – Business Development - Revenue contracts, agreements and services

Table 5 – Human Resources

Table 6 – Samuel Lunenfeld Research Institute

**Appendix 2: Bid Thresholds**

**Appendix 3: Delegation of Authority Form**



## Appendix 1 – SIGNING AUTHORITY LIMITS

### Financial commitments - Signing Authority Levels

**Table 1<sup>1</sup>** (See table 2 for Capital Commitments)

Note All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance	Senior/ Vice President	Director	Manager	Additional Requirements
1. Approval of annual <b>operating budget</b>	BOD approval						
2. <b>Strategic agreements, including Licenses &amp; agreements resulting in issuance of shares, joint venture, partnership</b>	BOD approval						
3. <b>Major and/or non-routine contracts</b> including collaboration agreements, affiliation agreements with educational institutions, major banking services	>\$1M	≤\$1M	≤\$250K and S/VP, operating area				Minimum 2 signatures required

<sup>1</sup> Note

- a. All non-consulting procurements exceeding \$10,000 require a written contract and/or Purchase Order. All consulting procurements require CEO and Senior Management approval of the requisition to purchase such services and a competitive process must be used to select the vendor (subject to limited exceptions)..
- b. All goods on evaluation must be routed through Plexxus and require a written Purchase Order.
- c. Hospital procurement policy competitive bid thresholds must be followed. Waiver of the competitive process i.e. sole or single sourcing must be approved by the Senior Vice-President Operations and others as required. \*Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval.
- d. Contract extensions must be re-approved in accordance with levels for total value of commitment i.e. original value plus the extension.
- e. Plexxus signing authorities for release of Purchase Orders after approved purchase requisitions are received – \$0-\$10,000-Buyer/ Senior Buyer/ Contract Specialist/ Category Specialist (Purchase Order Owner); \$10,001- \$100,000 - Manager, Plexxus; \$100,001 - \$750,000- Director, Plexxus; over \$750,000 VP Operations, Plexxus
- f. Signing authorities for receiving through the Hospital Receiving Department, are employees designated by the Site Manager, Materials Management, Stores and Receiving , Plexxus and defined in SAP

## Financial commitments - Signing Authority Levels

**Table 1<sup>1</sup>** (See table 2 for Capital Commitments)

Note All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance	Senior/Vice President	Director	Manager	Additional Requirements
4. Lease of Building space, subject to requirements under the Public Hospitals Act, 1990	>\$2M	≤\$2M and SVP – Finance	≤\$1M and S/VP, operating area				
5. Lease of operating or capital leases of equipment	>\$2M	≤\$2M and SVP – Finance	≤\$1M and S/VP, operating area				
6. Purchase requisition, contracts and agreements for <b>operating goods and services</b> ; excluding consulting services, covered below	>\$5M*	≥\$250K	<\$250K	≤\$150K*	≤\$50K*	≤\$25K*	*Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval, in addition to SVP Operations.
7. Purchase requisitions, contracts or agreements for <b>consulting services</b> when : (a) competitive procurement is used.  b)If a non-competitive procurement method is used, (i) Single Source* (ii) Sole Source*	>\$1M  >\$500K  >\$1M	≥\$250K  ≥\$250K  ≥\$250K	<\$250K  <\$250K  <\$250K	≤\$50K  ≤\$50K  ≤\$50K			All purchase requisitions for consulting (regardless of method of procurement) requires Sr. management approval. In no circumstances can hospitality, incidentals or food expenses be considered allowable expenses for consultants. *Waiver of the competitive process always requires SVP Operations approval.

## Financial commitments - Signing Authority Levels

**Table 1<sup>1</sup>** (See table 2 for Capital Commitments)

Note All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance	Senior/ Vice President	Director	Manager	Additional Requirements
8. <b>Signing of supplier invoices</b> (with system generated PO)							Automatic if invoice matches PO and receiving document
9. Signing of other supplier invoices /cheque requisitions (Supplier invoices without system generated PO)			>\$250K	≤\$250K	≤\$50K	≤\$25K	<b>Minimum 2 signatures required</b>

## Financial commitments - Signing Authority Levels

**Table 1<sup>1</sup>** (See table 2 for Capital Commitments)

Note All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Approval Authority	Additional requirements
10. Approval of <b>steam, hydro, gas &amp; water invoices</b> for payment	Director, Building Services	
11. <b>Contracts/ Agreements with Physicians other than through Hospital fund/ trust accounts (See 17. below)</b>	President & CEO	
12. <b>Approval of payments to Physicians</b> on approved contracts/ agreements	Senior Vice President Finance	

## Financial commitments - Signing Authority Levels

**Table 1<sup>1</sup>** (See table 2 for Capital Commitments)

Note All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

13. Approval of Ministry flow-through payments to physicians including OHIP Professional Fees, AFP payments	Controller, General Accounting	
14. Approval of and changes to new/ existing <b>procurement card/s</b>	One reporting level higher; minimum by Manager <u>and</u> Controller, General Accounting	
15. Approval of <b>monthly procurement card expenditures</b>	One reporting level higher; minimum by Manager	
16. Approval of <b>business, travel &amp; other</b> reimbursement expenses, including <b>travel advances</b>	All Staff except CEO & Board Members - One reporting level higher; minimum by Manager  CEO & Board Members – Senior VP Finance, with approval by Chair of Audit Committee through quarterly Expense Reporting	
17. Approval to <b>establish Hospital fund or trust account</b>	Fund manager and Controller, General Accounting	
18. Approval of <b>payments from Hospital fund or trust</b> account	a. \$0-\$5K Fund Manager b. >\$5K - \$25K Fund Manager and Manager, General Accounting c. >\$25 - \$50K Fund Manager and Controller, General Accounting d. >\$50K - \$100K Fund Manager and Director Finance e. >\$100K Fund Manager and SVP Finance	An overdraft position must be approved by Controller, General Accounting
19. <b>Cheque signing</b> authorities per signing authorities registered with the bank	As per Board's Banking Resolution	All cheques require two signatures
20. <b>Investment of surplus cash</b> (within BOD approved investments)	SVP, Finance	

## Capital Commitments - Signing Authority Levels

Table 2<sup>2</sup>

Note: All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance (SVP – Finance)	Senior/ Vice President, with capital responsibilities <sup>3</sup>	Director / Senior Project Manager	Additional Requirements
1. Approval of <b>annual capital budget</b> which includes capital equipment, building / renovation projects , IT capital and Business Development projects	BOD approval					
2. Approval of <b>capital expenditures from emergency funds</b> in annual capital budget			SVP – Finance approval			Sole/Single source form needs completion.

<sup>2</sup> Note

- a. All capital expenditures exceeding \$10,000 require a written contract and/or Purchase Order.
- b. All goods on evaluation must be routed through Plexxus and require a written Purchase Order.
- c. Hospital procurement policy competitive bid thresholds must be followed. Waiver of the competitive process i.e. sole or single sourcing must be approved by the Senior Vice-President & Chief Operations Officer and/or Legal Counsel. . \*Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval
- d. Contract extensions must be re-approved in accordance with levels for total value of commitment i.e. original value plus the extension.
- e. Plexxus signing authorities for release of Purchase Orders after approved purchase requisitions are received – \$0-\$10,000-Buyer/ Senior Buyer/ Contract Specialist/ Category Specialist (Purchase Order Owner); \$10,001- \$100,000 - Manager, Plexxus;\$100,001 - \$750,000- Director, Plexxus; over \$750,000 VP Operations, Plexxus
- f. Signing authorities for receiving through the Hospital Receiving Department, are employees designated by the Site Manager, Materials Management, Stores and Receiving , Plexxus and defined in SAP
- g. All IT related capital expenditures require review and approval from the Chief Information Officer, or as delegated.
- h. The acceptance of all IT design specifications, as required pursuant to contract, requires Chief Information Officer approval. See Standard Operating Procedures for Procurements.
- i. All capital expenditures for installation in patient areas require review and approval from Infection Control
- j. All medical equipment expenditures require review and approval from Biomedical Engineering

<sup>3</sup> Senior/ Vice President & Chief Operations Officer for building/ renovation; Vice President, Information Systems (CIO) for IT projects

## Capital Commitments - Signing Authority Levels

Table 2<sup>2</sup>

Note: All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance (SVP – Finance)	Senior/ Vice President, with capital responsibilities <sup>3</sup>	Director / Senior Project Manager	Additional Requirements
3. Approval of <b>disposal of capital equipment</b>			SVP – Finance and Senior / Vice President of area			
4. Approval of <b>project budgets</b> <ul style="list-style-type: none"> <li>• <b>Building and renovation</b></li> <li>• <b>IT capital project</b></li> </ul>	>\$2M	≤\$2M	≤\$250K and SVP – with capital responsibilities			All project budgets must be pre-approved by the Senior/ Vice President of the user department, where applicable. Funding sources must be identified prior to approval
5. Approval of <b>Business Development capital project budget</b>	BOD approval					
6. Purchase requisition, contracts and agreements for <b>capital equipment</b>	>\$2M	≥\$250K	<\$250K and Senior / Vice President of area			. *Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval
7. Purchase requisition, contracts and agreements for IT/ building/renovation/business development <b>capital project expenditures (excluding consulting services, below)</b> within project budget	>\$2M	≥\$250K	<\$250K and SVP & COO	≤\$150K	≤\$50K	. *Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval

## Capital Commitments - Signing Authority Levels

Table 2<sup>2</sup>

Note: All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance (SVP – Finance)	Senior/ Vice President, with capital responsibilities <sup>3</sup>	Director / Senior Project Manager	Additional Requirements
<p>8. Purchase requisitions, contracts or agreements <b>for consulting services</b> within project budget when:</p> <p>(a) competitive procurement is used.</p> <p>b) If a non-competitive procurement method is used,</p> <p>(i) Single Source*</p> <p>(ii) Sole Source*</p>	<p>&gt;\$1M</p> <p>&gt;_\$500K</p> <p>&gt;_\$1M</p>	<p>≥\$250K</p> <p>≥\$250K</p> <p>≥\$250K</p>	<p>≤\$250K</p> <p>&lt;\$250K</p> <p>&lt;\$250K</p>	<p>≤\$50K</p> <p>≤\$50K</p> <p>≤\$50K</p>		<p>Any requisition for consulting services requires Senior Management Team approval prior to sourcing. In no circumstances can hospitality, incidentals or food expenses be considered allowable expenses for consultants.</p> <p>*Sole source &gt;\$1M requires Board approval. Single source &gt;\$500K requires Board approval</p>
9. <b>Approval of supplier invoices</b> (with system generated PO)						Automatic if invoice matches PO and receiving document
10. Approval of other supplier invoices (Supplier invoices without system generated PO) for capital goods and services within project budget			>250K	≤\$250K	≤\$50K	<p><b>Minimum of 2 signatures required</b></p> <p>*Sole source &gt;\$1M requires Board approval. Single source &gt;\$500K requires Board approval</p>
11. <b>Progress payments</b> on approved construction contracts				>\$50K (SVP & COO)	≤\$50K	Certified by Architect & reviewed by Senior/ Project Manager

## Capital Commitments - Signing Authority Levels

Table 2<sup>2</sup>

Note: All non-standard agreements require legal review

Transactions should be approved by all positions identified up to the approval authority required for the particular transaction.

Item	Board of Directors (BOD)	President & CEO	Senior Vice President, Finance (SVP – Finance)	Senior/ Vice President, with capital responsibilities <sup>3</sup>	Director / Senior Project Manager	Additional Requirements
12. Approval of (+ve/ -ve) construction <b>change orders within cash allowances and/or project budget</b>		>\$250K	≤\$250K <u>and</u> SVP and Chief Operations Officer	≤\$100K	≤\$50K	Certified by Architect, where applicable
13. Approval of change orders <b>exceeding project budget</b>	>\$500K	≤\$500K	≤\$50K <u>and</u> SVP with capital responsibilities			Funding sources must be identified prior to approval



## Revenue contracts, agreements and services - Signing Authority Levels

Table 3

Note: (see Table 4 for Business Development Revenues)

	Board of Directors	President & CEO	Senior Vice President, Finance	Director, Finance or Controller, General Accounting	Other
1. Revenue/ Funding Contracts and renewals	>\$5M	≤\$5M	≤\$2M and SVP, operating area		All revenue proposals, contracts, agreements and services must be reviewed by the Controller- General Accounting, prior to final approvals.
2. Approval of pricing policies e.g. preferred accommodation, delisted services, etc			SVP, Finance		
3. Write off of <b>bad debts or contra revenue and discounts against approved billing rates</b>			>\$25K	≤\$25K	≤\$5K Business Manager, Finance or Preferred Accommodation Coordinator
4. <b>Payments of refunds</b> for over payments, returns			>\$25K	≤\$25K	≤\$5K Director, operating area ≤\$2K Manager, operating area
5. <b>Petty Cash funds</b> or floats Establish/increase and write off shortages	a. ≤\$5K b. >\$5K	Controller, General Accounting Director, Finance			
6. Receiving and depositing <b>cash</b>	a. ≤\$10K b. >\$10K	Cashier Manager, General Accounting			

**Business Development - Revenue contracts, agreements and services - Signing Authority Levels**

Table 4

	Board of Directors	President & CEO	Senior Vice President, Finance	Vice President, Business Development	Director, Finance or Controller, General Accounting	Manager / Director	Additional Requirements
1. New Business Development projects/ proposals	BOD approval						
2. Revenue Contracts and renewals, including revenue leases	>\$5M	≤\$5M	≤\$2M <u>and</u> VP, Business Development				All revenue proposals, contracts, agreements and services must be reviewed by Legal Counsel, prior to final approvals. Contracts with patient care or clinical impacts, SVP, operating area review is required
3. Approval of price lists				VP, Business Development <u>and</u> Director, operating area			
4. Discounts against approved billing rates, payments of refunds for overpayments or returns			>\$25K	≤\$25K	≤\$10K	≤\$5K	

## Human Resources – Signing Authority Levels

Table 5

Description	Approval authority
<b>Compensation &amp; benefit plans</b>	
1. Compensation and employee benefits & pension plans and policies relating to Management, supervisory and support staff and Director/s	President & CEO <u>and</u> SVP, Organizational Development & Performance <u>and</u> SVP, <u>Finance</u>
2. Senior Management (other than President & CEO) compensation and benefits plan and new hires	President & CEO
3. President & CEO compensation and benefits, including annual and other changes	Management Compensation Committee
<b>Annual /Salary review</b>	
4. For all changes consistent with HR policies relating to all staff (other than President & CEO).	President & CEO <u>and</u> SVP, Finance <u>and</u> SVP, Organizational Development & Performance
5. For all changes outside existing policy relating to Management, Supervisory and support staff and Director/s	President & CEO or  SVP, Organizational Development & Performance <u>and</u> SVP, Finance <u>and</u> SVP/VP, Operating unit
6. For all changes outside existing policy relating to Senior/ Vice President/s	President & CEO
<b>Payroll and Employee changes</b>	
7. New hires replacing an existing budgeted position	One reporting level higher <u>and</u> S/VP, Operating unit
8. New hires where there <b><u>is no budgeted position</u></b>	SVP, Finance <u>and</u> SVP, Organizational Development & Performance <u>and</u> S/VP, Operating unit

## Human Resources – Signing Authority Levels

Table 5

Description	Approval authority
9. New physician credentialed or employed	Medical Advisory Committee <u>and</u> President & CEO <u>and</u> SVP Medical
10. Promotions, demotions and transfers of a) Support Staff b) Management and supervisory staff c) Director/s d) Senior/ Vice President and other direct reports to President & CEO	a) HR Manager <u>and</u> Manager b) HR Manager <u>and</u> Director, Operating unit c) SVP, Organizational Development & Performance <u>and</u> S/VP, Operating unit d) President & CEO <u>and</u> SVP, Organizational Development & Performance
11. Involuntary Terminations of a) Management, Supervisory and support staff b) Director/s	a) HR Manager <u>and</u> Director, Operating unit b) SVP, Organizational Development & Performance <u>and</u> Senior Director, HR <u>and</u> S/VP, Operating unit
12. Involuntary Terminations of Senior/Vice President	President & CEO <u>and</u> SVP, Organizational Development & Performance
13. Documentation relating to resignations, retirements, deaths, changes in name or title, leave of absence, end of employment contracts.	One reporting level higher with signing authority. <sup>4</sup>
14. Approval of educational assistance expenditures	Director, Operating unit
<b>Payroll submissions</b>	
15. Timesheet submission & adjustment forms to timesheet submissions	One reporting level higher; minimum approval required by Manager with signing authority.
16. Submission of payroll to bank	One of: Payroll Manager or Coordinator, Payroll

<sup>4</sup> **NOTE:** It is the responsibility of the Manager in each office to immediately notify the Human Resources Department of changes in the status of their employees.

## Human Resources – Signing Authority Levels

Table 5

Description	Approval authority
17. Payment of payroll taxes and other remittances	a. ≤ \$25,000 Payroll Manager b. >\$25K Payroll Manager and Manager General Accounting or Controller, General Accounting
<b>Labour relations</b>	
18. Ratification of grievance settlements, negotiated labour settlements	c. ≤ \$25,000 HR Manager d. ≤ \$50,000 Director, Human Resources e. >\$50,000 SVP, Organizational Development
19. Approval of invoices for labour relations legal expenses	a. ≤ \$50,000 Director, Human Resources <u>and</u> Legal counsel b. >\$50,000 SVP, Organizational Development & Performance <u>and</u> Legal Counsel

## Samuel Lunenfeld Research Institute - Signing Authority Levels

**Table 6**

Description	Board of Directors	President & CEO	Senior Vice-President, Finance	Director SLRI or Associate Director SLRI	Director, Finance & IT, SLRI	Controller/ Manager, Research Accounting	Principal Investigator	Additional Requirements
<b>Operating Expenditures</b>								
1. Purchase requisition, contracts and agreements <sup>5</sup> , for <b>operating goods and services</b> ; excluding consulting services, covered below	>\$5M	≥\$250K	<\$250K	≤\$150K	≤\$50K or any one of SLRI Admin Directors	≤\$25K	≤\$5K Or approved Delegate for ≤\$1K	
2. Purchase requisitions, contracts and agreements <b>for consulting services – operating / capital</b> expenditures when: (a) competitive procurement is used.  b) If a non-competitive procurement method is used,	>\$1M	≥\$250K	<\$250K	≤\$150K				Any requisition for consulting services requires Senior Management Team approval prior to sourcing. In no circumstances can hospitality, incidentals or food expenses be considered allowable expenses for consultants. . *Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval

<sup>5</sup> Note

- a. All non-consulting procurements exceeding \$10,000 require a written contract and/or Purchase Order.
- b. Hospital procurement policy competitive bid thresholds must be followed. Waiver of the competitive process i.e. sole or single sourcing must be approved by the Senior Vice-President & Chief Operations Officer and/or Legal Counsel. \*Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval.
- c. Contract extensions must be re-approved in accordance with levels for total value of commitment i.e. original value plus the extension.
- d. Plexxus signing authorities for release of Purchase Orders after approved purchase requisitions are received – \$0-\$10,000-Buyer/ Senior Buyer/ Contract Specialist/ Category Specialist (Purchase Order Owner); \$10,001- \$100,000 - Manager, Plexxus;\$100,001 - \$750,000- Director, Plexxus; over \$750,000 VP Operations, Plexxus
- e. Signing authorities for receiving through the Hospital Receiving Department, are employees designated by the Site Manager, Materials Management, Stores and Receiving , Plexxus and defined in SAP

## Samuel Lunenfeld Research Institute - Signing Authority Levels

**Table 6**

Description	Board of Directors	President & CEO	Senior Vice-President, Finance	Director SLRI or Associate Director SLRI	Director, Finance & IT, SLRI	Controller/Manager, Research Accounting	Principal Investigator	Additional Requirements
(i) Single Source*	≤\$500K	≥\$250K	<<\$250K	<\$50K				
(ii) Sole Source*	>\$1M	≥\$250K	<<\$250K	<\$50				
<b>3. Signing of supplier invoices without system generated PO (Minimum 2 signatures required)</b>			>\$250K	≤\$250K	≤\$50K or any one of SLRI Admin Directors	≤\$25K	≤\$5K	Or approved Delegate for <\$1K
<b>4. Payments to other Institutions from grant accounts (SLRI) based on approved Inter-Institutional Agreements<sup>6</sup></b>			>\$100K	≤100K	≤\$50K and Principal Investigator			

<sup>6</sup> An overdraft position must be approved by Director Finance, SLRI  
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## SAMUEL LUNENFELD RESEARCH INSTITUTE - Signing Authority Levels

**Table 6**

Description	Board of Directors	President & CEO	Senior Vice-President, Finance	Director SLRI or Associate Director SLRI	Director, Finance & IT, SLRI or Director GRIP	Additional Requirements
<b>Capital Expenditures</b>						
5. Purchase requisition, contracts and agreements <sup>7</sup> for <b>capital equipment</b>	>\$2M	≥\$250K	<\$250K		\$5K-\$50K	
6. Purchase requisition contracts and agreements for IT/ building/renovation/ <b>capital project expenditures (excluding consulting services, covered under item 2)</b> within project budget	>\$2M	≥\$250K	<\$250K <u>and</u> SVP Ops		≤\$50K <u>and</u> Director, Operations	
7. <b>Progress payments</b> on approved construction contracts (certified by Architect & Senior Project Manager review)			>\$2M <u>and</u> SVP Ops	≤\$2M <u>and</u> S/VP Finance	≤\$50K <u>and</u> Director, Operations	
8. Approval of construction change orders <b>exceeding project budget</b> (Funding sources must be identified prior to approval)	>\$500K	≤\$500K	≤\$50K <u>and</u> SVP Ops			

<sup>7</sup> Note

- a. All capital expenditures require a written contract and/or Purchase Order.
- b. Hospital procurement policy competitive bid thresholds must be followed. Waiver of the competitive process i.e. sole or single sourcing must be approved by the Senior Vice-President & Chief Operations Officer and/or Legal Counsel.
- c. Contract extensions must be re-approved in accordance with levels for total value of commitment i.e. original value plus the extension.
- d. Plexxus signing authorities for release of Purchase Orders after approved purchase requisitions are received – \$0-\$10,000-Buyer/ Senior Buyer/ Contract Specialist/ Category Specialist (Purchase Order Owner); \$10,001- \$100,000 - Manager, Plexxus;\$100,001 - \$750,000- Director, Plexxus; over \$750,000 VP Operations, Plexxus
- e. Signing authorities for receiving through the Hospital Receiving Department, are employees designated by the Site Manager, Materials Management, Stores and Receiving , Plexxus and defined in SAP
- f. All capital expenditures for installation in patient areas require review and approval from Infection Control
- g. All medical equipment expenditures require review and approval from Biomedical Engineering



**SAMUEL LUNENFELD RESEARCH INSTITUTE - Signing Authority Levels**

**Table 6**

Description	Approval authority
9. Approval of and changes to new / existing <b>procurement card</b>	Director Finance & IT, SLRI <u>and</u> Controller, General Accounting
10. Approval of monthly expenditures within <b>procurement card</b> limits	One reporting level higher; minimum approval required by Manager with signing authority; <u>and</u> Director Finance & IT, SLRI
11. Business, Travel and other reimbursement expenses	One reporting level higher; minimum Principal Investigator
12. Request for a travel advance	One reporting level higher; minimum Principal Investigator; <u>and</u> Director Finance & IT, SLRI
<b>Research Stipends</b>	
13. Approval of research stipends	Director SLRI or Associate Director SLRI
14. Transactions against approved stipends	Director Finance, SLRI or any one of SLRI Admin Directors
<b>Payroll and Employee Changes<sup>8</sup></b>	
15. Recruitment of staff for projects funded by grants	Principal Investigator <u>and</u> Manager, HR <u>and</u> Manager, Research Accounting
16. Recruitment to replace other budgeted positions	One reporting level higher; minimum approval required by manager with signing authority <u>and</u> Director Finance, SLRI
17. New hires where there is no budgeted position	Director SLRI or Associate Director SLRI <u>and</u> Director Finance & IT, SLRI

<sup>8</sup> See table 5 for other HR transactions  
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**SAMUEL LUNENFELD RESEARCH INSTITUTE - Signing Authority Levels**

**Table 6**

Description	Approval authority
<b>Research Agreements</b>	
18. Agreement to establish a research project or grant between hospital and granting agency	Senior Vice President, Finance <u>and</u> Director SLRI or Associate Director SLRI
19. Approval to open a grant account (SLRI)	Principal Investigator <u>and</u> Controller, Research Accounting/ Manager, Research Accounting
20. Approval for overdraft position in a research project or grant account	a. ≤\$50K Director, SLRI b. >\$50K Director, SLRI and SVP, Finance
21. Non-Industry sponsored Study Agreements	Senior Vice President, Finance <u>and</u> Director SLRI or Associate Director SLRI or Chief of Service

<b>SAMUEL LUNENFELD RESEARCH INSTITUTE - Signing Authority Levels</b>			
<b>Table 6</b>			
<b>Description</b>	<b>Board of Directors</b>	<b>President &amp; CEO</b>	<b>Senior Vice-President, Finance</b>
<b>Office of Technology Transfer &amp; Industrial Liaison</b>			
22. Industry-sponsored research agreements including research service agreements and clinical study agreements with a committed cash commitment from the industry sponsor.	>\$5M	≤\$5M	≤\$2M
23. License agreements with license fees over an initial 5 year period including issuance of equity or other consideration.	>\$5M	≤\$5M	≤\$2M
24. Material Transfer Agreements (MTA)	Director Technology Transfer & Industrial Liaison		
25. Data Transfer Agreements	Director Technology Transfer & Industrial Liaison		
26. Confidential Disclosure Agreements	Director Technology Transfer & Industrial Liaison		
27. Power of Attorney documents in connection with patent filings and prosecution	Director Technology Transfer & Industrial Liaison		
28. Inter-institutional agreements concerning jointly owned intellectual property or collaborative research	Senior Vice President, Finance		
29. Non-binding term sheets and memoranda of understanding	Senior Vice President, Finance		

## Appendix 2 – BID THRESHOLDS

<b>Goods, Non-Consulting Services and Construction</b>	
<b>Range (\$)</b>	<b>Competitive Bid Requirement<sup>9</sup></b>
\$0-\$10,000	A verbal quote
\$10,001 - \$25,000	2 written quotes in response to written request
\$25,001 - \$99,999	3 written quotes in response to written request
\$100,000 and over	Public competitive bid process - Advertised

<b>Consulting Services*</b>	
<b>Range (\$)</b>	<b>Competitive Bid Requirement<sup>10</sup></b>
\$0-\$99,999	3 written quotes in response to written request
\$100,000 and over	Public competitive bid process - Advertised

<sup>9</sup> Waiver from the Competitive Bid Requirements requires pre- approval and; completion of a Sole or Single Source Certification form. . \*Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval

<sup>10</sup> Waiver from the Competitive Bid Requirements requires pre- approval and; completion of a Sole or Single Source Certification form. . \*Sole source >\$1M requires Board approval. Single source >\$500K requires Board approval

\* Any requisition for consulting services requires Senior Management Team approval prior to sourcing.

**Appendix 3 – DELEGATION FORM (SEE ATTACHED EXCEL FORM)**



Copy of  
SigningAuthorityForm