



Policy Category:	Policy Title:	Policy #:
Finance & Audit	Financial Controls & Procurement	POL-FA-02
Regulation   Bylaw Reference:		HPA Reference:
Sections 54, 58		Section 18
Authorization:	Date Approved:	Last Revised:
CSHBC Board	February 5, 2010	June 18, 2021

## PURPOSE

To establish the Board’s responsibility, delegated to the Finance & Audit Committee (the “Committee”) and the Registrar & CEO, for managing the College’s financial controls and procurement (including signing authorities, tenders for significant College purchases, and project authorization).

To establish the Board’s responsibility, delegated to the Committee and the Registrar & CEO for managing control of legal expenditures.

## SCOPE

College signing authorities, tenders, project authorization, and legal expenditures.

Legal opinions and services in excess of \$25,000.

Applies to Board members and the Registrar & CEO or designate.

## POLICY

### 1. *Signing Authorities*

The Registrar & CEO may authorize purchases and contractual agreements up to \$25,000.

A list of designated signatories for the College, authorizing signatories to enter contractual obligations for the College, will be established by the Board. The Board may amend this list as required.

The College will maintain a bank account at a bank approved by the Board.

Cheques must be signed by 2 of the College’s signing authorities.

The Committee is responsible for updating the signing authority documents with the appropriate financial institutions as required.

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## 2. Tenders

In order to maintain registrant and public confidence in the College:

- A minimum of 2 tenders/proposals must be obtained when entering a contract for services or products valued over \$25,000. The only exception is where the product or service is provided exclusively by one person or organization;
- Contracts entered into must be free of any conflict of interest of College staff and current College Board Members;
- Only those with signing authority may sign contracts on the College's behalf;
- The Registrar will obtain the required tenders and submit tender information to the Committee Chair;
- Where a tender is above \$25,000, once approved by the Committee, the Registrar & CEO will present the successful tender to the College Board for approval;
- All tenders entered into will be filed at the College office and made available to any registrant of the College upon request;
- Contracts may be approved for renewal by a simple majority vote of the College Board.

## 3. Project Authorization

Written authorization from the Board Chair is required for:

- Projects which require an expenditure of funds over \$25,000 toward consultant fees (e.g., IT services). (All associated project expenditures must be tracked);
- Projects which require total payment in advance prior to initiation of the project.

Any request to the Board Chair must identify the purpose of the contract and assign the Registrar & CEO with contract oversight responsibilities.

The Registrar & CEO must request an estimate of fees from any consultant. When projects exceed, or are projected to exceed, the estimated costs, the Registrar & CEO must request a revised estimate and obtain further direction from the Board and Committee Chairs.

## 4. Legal Expenditures

Legal counsel may be retained to assist the Board in carrying out any power or duty under the Act, the regulations, or the Bylaws.

To ensure the College utilizes legal counsel with proper financial control, the Board, Board Chair, core or advisory committee chair, or Registrar & CEO must:

- Identify the specific issue requiring a legal opinion and assign the Registrar & CEO with contract oversight responsibilities for legal expenditures, excluding legal commentary for clinical issues.
- The Registrar & CEO must request from contracted legal counsel an estimate of projected legal fees.



- If the estimate is over \$25,000, the Registrar & CEO must assign a project code and instruct legal counsel to advise the College when the estimate is reached. (All associated project expenditures must be tracked);
- When legal expenditures exceed, or are projected to exceed, the estimated costs, the Registrar & CEO must request a revised estimate and obtain further direction from the Board and Committee Chairs.
- To maximize the accuracy and efficacy of legal counsel, the Board, Board Chair, or core or advisory committee chair will work collaboratively with the Registrar & CEO, Director, Quality Assurance & Professional Practice, or relevant staff member to ensure legal questions are clearly formulated.

### **CSHBC & OTHER RELATED DOCUMENTS**

Chartered Professional Accountants Canada, [20 Questions Directors of Not-For-Profit Organizations Should Ask About IT Outsourcing.](#)

*Financial Management (POL- FA-01)*