

POLICY NUMBER: POL-100

Chapter:
BOARD OF DIRECTORS

Subject:
EXECUTIVE LIMITATIONS, FINANCIAL CONDITIONS AND ACTIVITIES

Effective Date:
January 23, 2003

Last Update:
May 9, 2019

PURPOSE:

The purpose of this policy is to set out the Chief Executive Officer's responsibilities related to financial conditions and activities.

REFERENCE:

Workers Compensation Act R.S.P.E.I.1988, Cap. W-7.1, Section(s) 30
Occupational Health and Safety Act R.S.P.E.I.1988, Cap. 0-1.01, Section(s) 5(1)
Workers Compensation Board Policy, POL-36, Investment of Board Funds
Workers Compensation Board Policy, POL-40, Board - Chief Executive Officer Relationship,
Delegation to the Chief Executive Officer
Workers Compensation Board Policy, POL-101, Executive Limitations -Financial Planning and
Budgeting
Workers Compensation Board Policy, POL-136, Funding Policy
Workers Compensation Board Policy, POL-112, Board - Chief Executive Officer Relationship,
Monitoring Chief Executive Officer Performance

DEFINITION:

POLICY:

1. With respect to the actual, ongoing financial condition and activities, the Chief Executive
-

POLICY NUMBER: POL-100

Officer shall not cause or allow risk to financial stability or approve expenditures that deviate materially from Workers Compensation Board priorities established in *Ends* policies.

Accordingly, they shall not:

- A. Fail to settle payroll and debts in a timely manner.
- B. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
- C. Make a single purchase or commitment greater than approved annual budgeted amounts. Splitting orders is not permitted.
- D. Acquire, encumber, or dispose of real property.
- E. Fail to aggressively pursue receivables after a reasonable grace period.

Monitoring

- 2. This policy will be monitored by the Board of Directors three times per year and reviewed in accordance with the annual monitoring schedule as set out in Workers Compensation Board policy, POL-112, Board - Chief Executive Officer Relationship, Monitoring Chief Executive Officer Performance.

HISTORY:

May 9, 2019 – Added a purpose statement and reference to the annual monitoring schedule.

February 25, 2016 - Amended to reflect a monitoring frequency of four times annually.

October 23, 2013 – Amended section 1(c).

November 1, 2012 – Editorial changes made to the policy as a result of a review by the Board of Directors.

April 6, 2006 – Amended this policy by removing section 1(A) which stated: “Expend more funds

POLICY NUMBER: POL-100

than have been received in the fiscal year” as this is not attainable on an annual basis.

Board of Directors Approval Date: January 23, 2003