

**POLICY NUMBER: POL-100**

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**Chapter:**  
**BOARD OF DIRECTORS**

**Subject:**  
**EXECUTIVE LIMITATIONS, FINANCIAL CONDITIONS AND ACTIVITIES**

**Effective Date:**  
**January 23, 2003**

**Last Update:**  
**February 25, 2016**

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**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. O-1.01, Section(s) 5(1).*  
Workers Compensation Board Policy, POL-36, Investment of Board Funds.  
Workers Compensation Board Policy, POL-40, Delegation to the Chief Executive Officer.  
Workers Compensation Board Policy, POL-101, Financial Planning and Budgeting.  
Workers Compensation Board Policy, POL-136, Funding Strategy.

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**DEFINITION:**

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**POLICY:**

1. With respect to the actual, ongoing financial condition and activities, the Chief Executive 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, he or she shall not:

- A. Fail to settle payroll and debts in a timely manner.
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- 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 four (4) times per year and reviewed in April, July, October and December of each year.
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**HISTORY:**

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 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