

POLICY NUMBER: POL-101

Chapter:
BOARD OF DIRECTORS

Subject:
EXECUTIVE LIMITATIONS, FINANCIAL PLANNING AND BUDGETING

Effective Date:
January 23, 2003

Last Update:
October 24, 2013

REFERENCE:

Workers Compensation Act R.S.P.E.I.1988, Cap. W-7.1, Section(s) 30(2).
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-100, Financial Condition and Activities.
Workers Compensation Board Policy, POL-136, Funding Strategy.

DEFINITION:

POLICY:

1. The Chief Executive Officer shall not allow budgeting for any fiscal year or the remaining part of any fiscal year to deviate materially from Workers Compensation Board *Ends* priorities, risk fiscal jeopardy, or fail to be derived from a multi-year plan.

Accordingly, he or she shall not allow budgeting which:

- A. Contains too little information to enable credible projection of revenue and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
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- B. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
- C. Provides less for Board of Directors' prerogatives during the year than is set forth in the Board of Directors' annual plan.

Monitoring

- 2. This policy will be monitored by the Board of Directors annually and reviewed in October of each year.
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HISTORY:

October 24, 2013 – Amended to remove section 1(d).

October 4, 2012 – Editorial changes made to the policy as a result of a review by the Board of Directors.

April 4, 2006 – Editorial changes made to the policy as a result of a review by the Board of Directors.

Board of Directors Approval Date: January 23, 2003