

Manual	GOVERNANCE POLICY		POLICY
Section 4.0	Ensuring Financial Viability		
Title	RESOURCE PLANNING		
Issuing Body/ Prepared By	Resource Utilization and Audit Committee		
Approved by	Board of Directors		Number: GOV 4.10
Effective Date	O: June 2005	Version 2	File Name: "Lhgdata"(J:)/Dept'1/Admin/Chief Executive Officer/Board and Board Committees/Board BWH/Board Policies/ 4.10 Resource Planning
Revised Date	R: December 2010		
Controlled document. Any documents appearing in paper form must be used for reference purposes only. The on-line copy on the file server above must be considered the current documentation.			

Purpose

As part of its responsibility for ensuring financial viability, the Board of Bluewater Health wishes to ensure that the organization undertakes appropriate financial planning, optimizes the use of and operates within its resources and adheres to its Hospital Service Accountability Agreement (H-SAA). This policy sets out processes to support the Board in fulfilling this responsibility.

Policy

As set out in the Principles of Governance & Board Accountability policy (GOV 5.10), Bluewater Health is accountable to work within its resources and according to legislative and other binding directives of the Ministry of Health and Long-Term Care (Ministry) and the Erie St. Clair Local Health Integration Network (ESC LHIN).

The Hospital’s funding and service obligations are set out in the H-SAA which is based on the Hospital Accountability Planning Submission (HAPS). In particular, the Hospital is required to achieve a balanced budget in each fiscal year.

The Board hereby delegates responsibility and authority to the President & CEO (CEO) to develop an annual operating plan which:

1. is consistent with the Board’s strategic priorities in the allocation of resources among competing program and service needs;
2. contains sufficient information to support projections of revenues, expenditures, cash flow, and service levels with clear distinction of capital and operational items, and disclosure of planning assumptions and restrictions related to program/service volumes, borrowing requirements, cash flow, significant changes in financial position and material changes to accounting procedures;
3. is consistent with the HAPS and is premised on achieving or surpassing the patient service targets established in the H-SAA;
4. incorporates the following at a minimum:
 - a. program and service plans;

- b. a financial plan, including operating and capital budgets; and
- c. human resource plans for hospital employees and Professional Staff.

The CEO shall ensure that:

- 1. reasonable opportunities exist for stakeholder engagement in the development of the operating plan; and
- 2. any material deviation(s) between actual revenues, expenses, staffing and service volumes from the operating plan approved by the Board and any significant reallocations of resources between programs are promptly brought to the Board's attention.

Monitoring

Method & Frequency: 1. Review of the Policy (every three years)