Version Number	Description of Changes	Effective Date
1	Initial release	1997-09-24
2	Revision	1999-01-30
3	Revision	2012-07-19
4	Revision	2016-10-26
5	Revision	2019-05-22
6	Multiple policy updates	2026-06-17

Purpose

To establish a clear framework for the delegation of authority between the Board of Directors and the Chief Executive Officer (CEO), confirming that the CEO has the necessary latitude to manage the organization within the parameters established by the Board through Ends policies and Executive Limitations policies.

To ensure that the Board of Directors directs the results to be achieved by the CEO, while limiting their means through Ends policies and Executive Limitations policies. This policy confirms that the CEO has the necessary latitude to carry out their responsibilities, while reporting regularly to the Board on the exercise of their powers, the achievement of the Ends, and compliance with established limits. It also specifies the rules surrounding the delegation of signing authority.

This policy defines the principles governing the Board–CEO delegation relationship, the CEO's accountability to the Board, the framework for signing authority, and the CEO's authority to sub-delegate operational decision-making to staff, in accordance with the HGH Corporate By-laws, strategic plan, applicable legislation, HSAA, the priorities of the Board, and the values of the organization.

Scope

This policy applies to all powers and responsibilities delegated by the Board of Directors to the CEO, including decision-making authority, management responsibilities, accountability for organizational performance, signing authority, and the sub-delegation of operational authority to staff.

This policy is part of the Board–CEO Linkage policy series and should be read in conjunction with Policy 2.3 – CEO Monitoring, Policy 2.5 – CEO Evaluation, and the Executive Limitations policies (Series 3).

Guiding Principles

2.1.0 The Board of Directors delegates to the CEO the authority to manage the organization and achieve the results defined in the Board's Ends policies, within the boundaries established by the Executive Limitations policies. This delegation is founded on trust, transparency, and respect for the distinct roles of the Board and the CEO.

2.1.0.1 Unity of Delegation: All Board authority delegated to staff is delegated through the CEO. The Board gives direction to the organization exclusively through the CEO and holds the CEO accountable for all organizational performance.

2.1.0.2 Reasonable Interpretation: The CEO is authorized to use any reasonable interpretation of Board Ends and Executive Limitations policies in carrying out their responsibilities. The Board will assess compliance based on the reasonableness of the CEO's interpretation.

2.1.0.3 Board Restraint: The Board will not direct or instruct the CEO on operational matters. The Board governs by establishing Ends and Executive Limitations and monitors organizational performance through the CEO's monitoring reports.

2.1.0.4 Strategic Alignment: The CEO shall exercise all delegated authority in alignment with the hospital's Strategic Plan, the Hospital Service Accountability Agreement (HSAA), the priorities of the Board, and the values of the organization including its commitments to equity, diversity, inclusion, and cultural safety.

Delegation of Authority

2.1.1 All powers and responsibilities delegated to staff are, from the perspective of the Board, considered to be those of the CEO.

2.1.2 The Board will direct the CEO on the results to be achieved by formulating Ends policies.

2.1.3 Provided the CEO uses a reasonable interpretation of the Ends policies and the Executive Limitations policies, the CEO is authorized to take any decision, establish any practice, and initiate any activity they deem appropriate.

2.1.4 The Board may amend its Ends and Executive Limitations policies to modify the CEO's scope of authority. As long as the appropriate delegations are in effect, the Board will respect and support the CEO's choices. This does not prevent the Board from obtaining information regarding areas of delegation.

CEO Accountability

2.1.5 The CEO reports regularly to the Board on the exercise of their delegated authority and the achievement of the Ends, in accordance with the Monitoring Report Submission Calendar established by the Board. The CEO's accountability is measured against the expectations, indicators, and timelines pre-approved by the Board.

2.1.6 The Board ensures it receives the information necessary to carry out its oversight functions, without interfering with the CEO's management responsibilities.

2.1.7 The CEO exercises their delegated authority in compliance with applicable laws, regulations, internal policies, and the values of HGH, including its commitment to equity, diversity, inclusion, and the provision of culturally safe care.

Individual Board Member Authority

2.1.8 The CEO is bound only by the decisions of the Board acting as an entity:

A. The CEO is not bound by the decisions or instructions of an individual Board member, director, or committee member, except in rare cases where the Board has expressly authorized such authority.

B. The CEO must decline requests for assistance or information from Board members or committees when these are presented without Board authorization and when the CEO deems them to be disruptive, overly time-consuming for staff, or costly to produce.

Signing Authority

2.1.9 The CEO is the authorized signing officer of the corporation, jointly with the Board Chair, for the execution of deeds, transfers, assignments, contracts, agreements, mortgages, conveyances, obligations, certificates, and any other instruments or documents requiring the signature of the Corporation, in accordance with Section 9.2(a) of the Corporate By-laws.

2.1.10 In accordance with Section 9.2(b) of the Corporate By-laws, the Board designates the Chief Financial Officer (CFO) as an additional authorized signing officer for contracts, agreements, transfers, conveyances, and other instruments or documents, jointly with the Chair of the Board or the CEO. The CFO may exercise this signing authority whether or not the CEO is absent, to support the efficient conduct of organizational business.

Schedule of authority and Sub-Delegation

2.1.11 The CEO may sub-delegate to staff the authority to engage in financial transactions and operational commitments in accordance with a Schedule of Authority established by the CEO. The Schedule of Authority shall define dollar-limit thresholds and approval conditions for financial commitments at each level of management.

a) The Schedule of Authority shall be a standalone document maintained by the CEO and communicated to the Board.

b) The CEO may revise the Schedule of Authority from time to time to reflect operational needs.

c) In no event shall the thresholds established in the Schedule of Authority exceed the financial limitations set out in Board Policy 3.01 – Financial Planning / Budgeting and Board Policy 3.02 – Financial Condition and Operational Performance.

d) The CEO remains accountable to the Board for all financial commitments made under the Schedule of Authority, regardless of the level of sub-delegation.

2.1.12 The CEO may delegate specific operational responsibilities to members of the senior leadership team. All such delegations shall be documented in writing. The CEO remains accountable to the Board for the actions and decisions of all staff operating under delegated authority.

Definitions

Accountability: The process by which the CEO regularly reports to the Board on decisions, actions, and results, in accordance with expectations, indicators, and timelines established by the Board through the Monitoring Report Submission Calendar.

Board Ends: Statements that define what HGH must accomplish, for whom, and for what purpose. They represent the long-term priorities established by the Board and guide all strategic decisions.

Delegation of Authority: Formal authorization granted by the Board to the CEO to make decisions and carry out responsibilities within the framework of the Ends and Executive Limitations policies.

Executive Limitations: Board policies that define the limits and parameters within which the CEO must exercise their role. They ensure that the means used respect expectations regarding safety, finances, management, and compliance.

Reasonable Interpretation: An interpretation of Board policy that a reasonably prudent person could consider to be consistent with the intent of the policy. The Board assesses compliance based on the reasonableness of the CEO's interpretation, not on the Board's preferred interpretation.

Schedule of Authority: A standalone document established and maintained by the CEO that defines dollar-limit thresholds and approval conditions for financial commitments at each level of management, within the parameters established by Board financial policies.

Signing Authority: Legal authority to sign instruments and documents on behalf of the Corporation, in accordance with Section 9.2 of the Corporate By-laws and this policy.

References

- ***HGH By-laws:*** Official document governing the functioning, powers, and structure of the Board of Directors.
- ***Guide to Good Governance (OHA), 4th Ed.*** *— Chapter 2 (Models of Governance), Chapter 4 (Board Functions)*
- ***Policy 1.2 – Board of Directors' Code of Conduct*** *(Section 1.2.8 – Equity, Diversity, and Inclusion)*
- ***Policy 2.3 – CEO Monitoring***
- ***Policy 2.5 – CEO Evaluation***
- ***Policy 3.01 – Financial Planning / Budgeting***
- ***Policy 3.02 – Financial Condition and Operational Performance***
- ***Policy 3.05 – Protection of Assets and Authorization of Disbursements***
- ***Policy 3.8 – Emergency Replacement of the CEO and Long-Term Succession Planning***
- ***Policy 3.14 – Bilingualism at HGH***
- ***Policy 4.0 – Strategic directions of the Board of Directors***
- ***2025–2029 Strategic Plan***
- ***Hospital Service Accountability Agreement***