

TITLE:	Financial Objectives, Planning and Performance		
Manual/Policy #:	MRHA Boards of Directors #IV-6	Division:	AGH / CPDMH
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Last Date Reviewed:	February 2023	Cross References:	MRHA Boards Policies IV-8 Asset Protection IV-5 Resource Allocation

1. POLICY STATEMENT:

The Almonte General Hospital Corporation and the Carleton Place & District Memorial Hospital Corporation (“the Corporations”) are committed to sound budgeting and forecasting practices to ensure fiscal responsibility and resource allocation.

2. SCOPE:

All employees, medical staff, Allied Boards and Foundation Directors, contractors and volunteers may contribute to the planning and development of the Corporations annual Operating and Capital Plans.

3. GUIDING PRINCIPLES:

The annual Operating Plans should ensure that initiatives set by Ontario Health and/or the Ministry of Health are considered during the plan development.

Those involved with the development of the Operating and Capital Plans will act in a fiscally responsible manner, fulfilling their responsibilities for stewardship of the resources entrusted to the Corporations, and appropriately exercising the authority delegated to them.

4. DEFINITIONS:

N/A

5. PROCEDURE:

The Integrated Chief Financial Officer (CFO) is responsible for the development of the annual Operating and Capital Plans. Consultation is required from all departments. The CFO is responsible for ensuring input from Fiscal Advisory Committee has been received and reviewed on draft annual Operating Plan.

The Integrated Chief Executive Officer (CEO) or delegate will seek input from the Chair of the Allied Boards of Directors and Chair of the Finance, Resources and Audit Committee (FRAC) to ensure Board direction and commitments are addressed in the annual plans. The plans should encompass the advancement of the strategic plan by addressing annual goals and objectives.

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The CFO will present the financial planning framework for hospital operations, including establishing the time frame for planning; performance targets, desired operating bottom-line; Ministry revenue and expense assumptions; projected service demand growth, capital financing direction; and desired cash flow position to the FRAC.

The Hospital Annual Planning Submission (HAPS) submission requires approval by the Allied Boards, as does any required interim submission.

FRAC will recommend annual Operating and Capital Plans to the Allied Boards for approval prior to the start of each fiscal year. Such approval will include the broad planning parameters and detailed budget assumptions that have been utilized. In the event that external circumstances render approval prior to April 1st impractical or impossible, FRAC will recommend interim spending authority for the Senior Team to the Allied Boards for approval to ensure continuity of the Corporations operations.

FRAC will review actual performance against the approved operating plan at each of its regularly scheduled meetings to ensure that Management complies with the Operating Plans and variances are being appropriately addressed. FRAC will review at a minimum semi-annually the capital purchases to date against the Capital plan.

The CFO will work with the AGH and CPDMH Foundations and share information about the Corporations annual capital requirements and five year capital requirements.

The CEO is accountable to the Allied Boards for ensuring that key financial objectives are achieved and will ensure that appropriate and effective administrative policies and procedures exist to manage approved revenue and expenditures within the annual Operating and Capital Plans, and that these policies and procedures are monitored for compliance.

6. REFERENCES:

Trillium Health Partners (IV-1 Financial Objectives, Planning and Performance)

7. APPENDICES:

N/A

Evaluation

This policy will be reviewed every two years.