

SUMMARY OF THE DECISIONS OF THE OFFICIAL ADMINISTRATOR

The Audit and Finance Advisory Committee, which is a governance advisory committee of the Official Administrator of Alberta Health Services (“AHS”) (the “**Official Administrator**”), met on May 21, 2014 to discuss key issues regarding the below items. If you have any questions regarding this information, please contact the Office of the Official Administrator at official.administrator@albertahealthservices.ca.

The following is an account of the resolution approved by the Official Administrator prior to this meeting.

ITEM OF APPROVAL

1. [OA14-11] Audit & Finance Advisory Committee Membership Appointment

1. [OA14-11] Audit & Finance Advisory Committee Membership Appointment

Members of governance advisory committees are required to be appointed by the Official Administrator.

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta (the “**Minister**”) dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “**Official Administrator**”);

AND WHEREAS the Official Administrator, in his capacity as the governance entity of AHS, established the Audit & Finance Advisory Committee (the “**Committee**”) on November 4, 2013 to assist in fulfilling the financial oversight responsibilities of AHS and in overseeing management’s administration of AHS on finance and audit related items;

AND WHEREAS the Official Administrator appointed Mr. Don Sieben, Mr. Brian Olson and the Official Administrator as members of the Committee (collectively, the “**Committee Members**”) on November 4, 2013;

AND WHEREAS the Official Administrator may from time to time fill any vacancy amongst the Committee Members or increase membership of the Committee by appointing other individuals as Committee Members;

AND WHEREAS pursuant to Section 9.2 of the AHS General Bylaws, committees of the Official Administrator of AHS shall have their membership approved by the Official Administrator;

NOW THEREFORE BE IT RESOLVED THAT:

- 1. Mr. Doug Tupper is hereby appointed as a Committee Member.**

The following is an account of the resolutions approved by the Official Administrator following this meeting.

ITEMS OF APPROVAL

1. [AFAC14-60] Amendment to the Banking Resolution
2. [AFAC14-61] Fourth Quarter Investment Report 2013/14
3. [AFAC14-62] Lloydminster Bi-Provincial Health Services Agreement
4. [AFAC14-64] DynaLife Contract Extension

1. **[AFAC14-60] Amendment to the Banking Resolution**

An amendment to the AHS Banking Resolution is required to reflect the change in management titles.

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”)

AND WHEREAS the most recent Banking Resolution of AHS was passed on November 1, 2012;

AND WHEREAS there have been changes in AHS management titles since November 1, 2012;

AND WHEREAS the Official Administrator deems it to be in the best interest of AHS to amend the Banking Resolution of AHS to reflect the changes in management title;

NOW THEREFORE, be it resolved that subject to any additional approvals required under legislation, AHS by-laws, and AHS policies including the Delegation of Authority for Financial Commitments:

1. The following officers, or any officer with a different title but performing substantially the same role as any one of those listed below, (the “Officers”), and any officer officially appointed to act on behalf of an Officer, shall have the authority to conduct financial matters on behalf of AHS:
 - (i) President and Chief Executive Officer;
 - (ii) Vice President, Corporate Services and Chief Financial Officer;
 - (iii) Chief Program Officer, Finance;
 - (iv) Senior Program Officer, Financial Reporting;
 - (v) Senior Director, Financial Operations;
 - (vi) Executive Director, Treasury;
 - (vii) Director, Cash Management; and
 - (viii) Director, Debt and Investment Management.
2. The Officers referred to above be authorized to execute on behalf of AHS such agreements, documents and other writings and to take such actions as they consider necessary to give effect to the foregoing resolutions.

3. Any Chief Program Officer, Finance level or higher named above (or an officer with a different title but performing substantially the same role as the Chief Program Officer, Finance or higher) and one other Officer referred to above be authorized to execute agreements, documents and other writings and to take such actions as they consider necessary relating to new financial matters. New financial matters include but are not limited to:
 - a. loan agreements;
 - b. security agreements, including vehicle leases;
 - c. letters of credit;
 - d. new accounts or new financial services of any nature;
 - e. additional or ancillary financial services of any nature; and
 - f. any matter that is not an ongoing financial matter as set out in Section 4.
4. Any two Officers referred to above be authorized to execute agreements, documents and other writings and to take such actions as they consider necessary relating to ongoing financial matters. Ongoing financial matters include but are not limited to:
 - a. investing, making investment decisions and instructing investment managers ;
 - b. withdrawing or ordering the transfer of funds;
 - c. receiving and/or depositing cash, securities, instruments or other property from third parties;
 - d. instructing financial institutions to debit accounts of third parties;
 - e. receiving statements and other documents relating to AHS;
 - f. discontinuing financial services of any nature; and
 - g. closing accounts of any nature.
5. The authorization granted to each of the Officers does not extend to any wholly owned subsidiary of AHS.
6. The AHS Board Banking Resolution made November 1, 2012 is revoked in its entirety.

2. **[AFAC14-61] Fourth Quarter Investment Report 2013/14**

The fourth quarter investment report details key investment decisions, portfolio performance, market conditions, and portfolio compliance for the period of January 1, 2014 to March 31, 2014.

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS pursuant to Section 2.3(1) of the *Regional Health Authorities Regulation* (Alberta), each investment decision of the regional health authority must be approved or ratified by resolution;

NOW THEREFORE BE IT RESOLVED THAT:

The investment portfolio described below, along with investment decisions corresponding with such portfolio, which were reviewed by AHS Executive and recommended to the Official Administrator, and which were certified by signed investment compliance certificates from AHS and Phillips, Hager & North Investment Management Ltd. (“PH&N”), are hereby ratified as follows:

- (a) as at March 31, 2014, AHS held restricted and unrestricted funds managed by PH&N and Standard Life Canada totaling \$1.807 billion;
- (b) the funds were invested in short term treasury bills, federal, provincial and corporate fixed income bonds, pooled mortgage funds, bond funds and equity funds; and
- (c) all of the funds invested during the quarter ended March 31, 2014, were invested in accordance with the Investment Bylaw and Investment Policy.

3. [AFAC14-62] Lloydminster Bi-Provincial Health Services Agreement

At the direction of the Alberta and Saskatchewan Ministers of Health, AHS and Prairie North Regional Health Authority have negotiated a new Services Agreement relating to health services provided in Lloydminster. The Official Administrator approved the terms of the Services Agreement and authorized the President and CEO to execute the agreement on behalf of AHS.

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS AHS may provide health services directly, or may provide health services indirectly by contracting with service providers who meet AHS’ requirements;

AND WHEREAS Prairie North Regional Health Authority (“PNRHA”) is a regional health authority in the province of Saskatchewan and is an operator of health care facilities in the Lloydminster Catchment Area, which has service Albertans since 1912;

AND WHEREAS PNRHA provides health services to Alberta residents of a type which AHS wishes to have provided, and both AHS and PNRHA mutually desire that PNRHA continue to provide such services;

AND WHEREAS the Services Agreement between AHS and PNRHA (the “Services Agreement”) provides for the delivery and administration of Services (as defined therein) to Alberta residents by PNRHA and for the delivery of Shared Services (as defined therein) by AHS and PHRHA, and is intended to establish principles and expectations to be followed and met by both PNRHA and AHS in working towards mutually agreeable goals of accountability and improving their working relationship;

NOW THEREFORE BE IT RESOLVED THAT:

- 1. The Services Agreement is hereby approved on substantially the terms and conditions reviewed by the Official Administrator and subject to approval by the Minister of Health.**
- 2. The President and Chief Executive Officer of AHS is hereby authorized to execute the Services Agreement on behalf of AHS, subject to approval of the Services Agreement by the Minister of Health.**

4. [AFAC14-64] DynaLife Contract Extension

AHS' current contract with DynaLifeDX expires on March 31, 2015. DynaLifeDX has offered an extension of one year. AHS considers it in its best interest to enter into an agreement with respect to this extension. The Official Administrator approved the Extension and Amending Agreement and authorized the President and CEO to execute such agreement.

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) and the Order of the Minister of Health of Alberta dated September 10, 2013, appointing Dr. John Cowell as the Official Administrator of AHS (the "Official Administrator");

AND WHEREAS AHS and DynaLifeDX ("DynaLife") entered into a Consolidation Agreement made effective April 1, 2012 (the "Consolidation Agreement");

AND WHEREAS the Consolidation Agreement expires on March 31, 2015;

AND WHEREAS AHS and DynaLife wish to enter into an Extension and Amending Agreement to extend the term of the Consolidation Agreement to March 31, 2016 on the terms provided to the Official Administrator (the "Extension Agreement");

AND WHEREAS the AHS Delegation of Authority and Establishment of Controls for Commitments Policy (the "Policy"), delegates and establishes appropriate limits on commitments to be approved and executed by the President and Chief Executive Officer of AHS (the "CEO") on behalf of AHS;

AND WHEREAS the Extension Agreement exceeds the CEO's Approved Limits (as defined in the Policy);

NOW THEREFORE BE IT RESOLVED THAT:

- 1. The Extension Agreement is hereby approved on substantially the terms and conditions reviewed by the Official Administrator.**
- 2. The CEO of AHS is hereby authorized to execute the Extension Agreement on behalf of AHS.**

/s/

Catherine MacNeill
Acting Corporate Secretary