

## **SUMMARY OF THE DECISIONS OF THE OFFICIAL ADMINISTRATOR**

The Audit & Finance Advisory Committee, which is a governance advisory committee of the Official Administrator of Alberta Health Services (“AHS”) (the “Official Administrator”), met on November 6, 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](mailto:official.administrator@albertahealthservices.ca).

Below is an account of the resolutions approved by the Official Administrator following that meeting.

### **ITEMS OF APPROVAL**

1. [AFAC14-150] **Second Quarter Financial Report**
2. [AFAC14-152] **Restricted AH Grant Agreements Over \$90M**
3. [AFAC14-153] **Hedging USD – Strategy for Currency Management**
4. [AFAC14-154] **Second Quarter Investment Report 2014 – 2015**
5. [AFAC14-155] **Official Administrator Approval and Signing of Amending Agreements Between AHS, Covenant Health and Medical Imaging Consultants**
6. [AFAC14-161] **Sunrise Village (High River) Holdings Ltd. REVISED Budget (now includes additional funding for home care services for 17 private clients)**

#### **1. [AFAC14-150] Second Quarter Financial Report**

The second quarter financial report provides financial details for the period ending September 30, 2014.

**WHEREAS** this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (“RHA”) and the Order of the Minister of Health of Alberta (the “Minister”) effective September 10, 2014, appointing Janet Davidson as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** pursuant to Section 2.1(a) of the *Regional Health Authorities (Ministerial) Regulation* (Alberta), the regional health authority shall provide to the Minister within 30 days after the quarters ending on June 30, September 30 and December 31, a report in the form and manner required by the Minister;

**AND WHEREAS** pursuant to Section 6(2) of the RHA, the regional health authority may delegate any power or duty conferred or imposed on it under the RHA or any other provincial legislation, to a committee of the regional health authority, to any of its employees, officers or agents or to a community health council;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. the Quarterly Financial Report to Alberta Health for the Six Months Ended September 30, 2014 is hereby approved on substantially the terms and conditions reviewed by the Official Administrator;

2. the Quarterly Financial Statements for the Six Months Ended September 30, 2014 (the “Financial Statements”) are hereby approved on substantially the terms and conditions reviewed by the Official Administrator; and
3. management of AHS is hereby authorized and directed to request that the Alberta Health Assistant Deputy Minister, Financial and Corporate Services, approve making the Financial Statements available to the public through the AHS website.

➤ [Link to Financial Statements:  
http://www.albertahealthservices.ca/2220.asp](http://www.albertahealthservices.ca/2220.asp)

## 2. [AFAC14-152] Restricted AH Grant Agreements Over \$90M

Two new grant agreements between Alberta Health and AHS have contract values in excess of the President and Chief Executive Officer’s delegated signing authority. Accordingly, the Official Administrator is approving the agreements and delegate signing authority to the President and CEO.

**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”) effective September 10, 2014, appointing Janet Davidson as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** AHS and Alberta Health have agreed to enter into the following new grant agreements: a) the Resident Services Allowance Grant Agreement regarding postgraduate medical education students who work in AHS facilities and provide clinical services as part of their education training, for the term April 1, 2014 to October 31, 2015 (the “Resident Services Allowance Grant Agreement”); and b) the Outpatient Cancer Drug Program Grant Agreement regarding the provision of cancer pharmaceuticals to outpatient cancer patients at no cost, for the term of April 1, 2014 to March 31, 2015 (the “Outpatient Cancer Drug Program Grant 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 commitments under the Resident Services Allowance Grant Agreement and the Outpatient Cancer Drug Program Grant Agreement exceed the CEO’s Approved Limits (as defined in the Policy);

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Resident Services Allowance Grant Agreement and the Outpatient Cancer Drug Program Grant Agreement are hereby approved on substantially the terms and conditions reviewed by the Official Administrator, and the CEO is hereby authorized to execute such agreements on behalf of AHS.

**3. [AFAC14-153] Hedging USD – Strategy for Currency Management**

AHS wishes to enter into a hedge transaction to manage its exposure to exchange rate fluctuations on purchases of United States Dollars (USD).

**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”) effective September 10, 2014, appointing Janet Davidson as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** AHS wishes to hedge US Dollar purchases for the purpose of reducing the risk of exchange rate fluctuations;

**AND WHEREAS** AHS intends to hedge US Dollar purchases for up to \$4 million per month on a rolling 12-month basis with Alberta Treasury Branch (the “Hedge”);

**AND WHEREAS** the Official Administrator is required to approve the Hedge pursuant to Subsection 2.4(7) of the *Regional Health Authorities Regulation* (Alberta);

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Hedge and the execution of agreements related to the Hedge is hereby approved.

**4. [AFAC14-154] Second Quarter Investment Report 2014 - 2015**

The second quarter investment report details key investment decisions, portfolio performance, market conditions, and portfolio compliance for the period ending September 30, 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 (the “Minister”) effective September 10, 2014, appointing Janet Davidson 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:**

1. The investment portfolio described below, along with the investment decisions corresponding with such portfolio, which were reviewed by 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 September 30, 2014, AHS held restricted and unrestricted funds managed by PH&N and Standard Life Canada totaling \$1.666 billion (the “Funds”);

- (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 September 30, 2014, were invested in accordance with the Investment Bylaw and Investments Policy.

**5. [AFAC14-155] Official Administrator Approval and Signing of Amending Agreements Between AHS, Covenant Health and Medical Imaging Consultants**

AHS and Covenant Health contract with Medical Imaging Consultants for radiology services in the Edmonton Zone and wish to enter into amendments with respect to the 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 (the “Minister”) effective September 10, 2014, appointing Janet Davidson as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** AHS and Covenant Health (“CH”) have entered into an agreement with Medical Imaging Consultants (“MIC”) regarding radiologists services in Edmonton that was initially effective April 1, 2008 and has been renewed every two years (the “Agreement”);

**AND WHEREAS** AHS, CH and MIC wish to enter into amendments with respect to the Agreement;

**AND WHEREAS** the value of the amending agreements exceed the President and Chief Executive Officer of AHS signing authority under the AHS Contracts Policy and accordingly the Official Administrator shall approve and sign the amending agreements;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The following amending agreements are hereby approved on substantially the terms and conditions reviewed by the Official Administrator and such agreements will be signed by the Official Administrator on behalf of AHS:
  - a) amending Agreement effective November 7, 2012 between AHS, CH and MIC with respect to radiologist services at the East Edmonton Health Care;
  - b) amending Agreement effective April 1, 2013 between AHS, CH and MIC with respect to radiologist services at the Edmonton Remand Centre; and
  - c) amending Agreement effective January 1, 2014 between AHS, CH and MIC with respect to the provision of radiologist services after hours.

**6. [AFC14-161] Sunrise Village (High River) Holdings Ltd. REVISED Budget (now includes additional funding for home care services for 17 private clients)**

The Official Administrator originally approved delegation of authority to the President & CEO to approve and execute a contract with Sunrise Village (High River) Holdings Ltd with respect to 108 beds. Additional funding under the contract is to be provided for home care services for 17 clients.

**WHEREAS** this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (“RHA”) and the Order of the Minister of Health of Alberta (the “Minister”) effective September 10, 2014, appointing Janet Davidson as the Official Administrator of AHS (the “Official Administrator”);

**AND WHEREAS** pursuant to Section 6(2) of the RHA, the regional health authority may delegate any power or duty conferred or imposed on it under the RHA or any other provincial legislation, to a committee of the regional health authority, to any of its employees, officers or agents or to a community health council;

**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** on September 23, 2013, the Official Administrator authorized the CEO to approve and execute a Supportive Living Contract with Sunrise Village (High River) Holdings Ltd. for the funding of the operation of 108 Supportive Living spaces (the “SL Contract”);

**AND WHEREAS** the parties intend to amend the terms of the SL Contract to provide for additional funding for home care services for 17 private clients (the “Amended SL Contract”);

**AND WHEREAS** below Amended SL Contract exceeds the CEO’s Approved Limits (as defined in the Policy);

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1. The CEO is hereby authorized to approve and execute on behalf of AHS the Amended SL Contract.**

/s/

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Catherine MacNeill  
Acting Corporate Secretary