

SUMMARY OF THE DECISIONS OF THE OFFICIAL ADMINISTRATOR

The Audit & Risk Committee and the Finance Committee, which are governance advisory committees of the Official Administrator of Alberta Health Services (“AHS”) (the “Official Administrator”), met on June 4, 2015 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.

Below is an account of the resolutions approved by the Official Administrator following those meetings.

ITEMS OF APPROVAL

Audit & Risk Committee

1. [ARC15-37] March 31, 2015 Consolidated Financial Statements and March 31, 2015 Financial Statement Discussion and Analysis
2. [ARC15-38] AHS 2014-15 Annual Report – Final Draft
3. [ARC15-42] Proposed Changes to the Internal Audit Charter
4. [ARC15-43] 2015-18 Internal Audit and ERM Department Plan

1. [ARC15-37] March 31, 2015 Consolidated Financial Statements and March 31, 2015 Financial Statement Discussion and Analysis

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (the “RHA”) and the Order of the Minister of Health of Alberta effective November 17, 2014, appointing Dr. Carl Amrhein as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS pursuant to the *Regional Health Authorities Act*, the regional health authority shall provide audited consolidated financial statements to the Minister;

AND WHEREAS, as part of the approval of the audited consolidated financial statements the Official Administrator is required to approve certain internal restrictions of accumulated surplus;

AND WHEREAS the audited consolidated Financial Statements and the Financial Statements Discussion and Analysis will be included in the Alberta Health Services 2014-2015 Annual Report;

NOW THEREFORE BE IT RESOLVED THAT:

1. The internal restrictions as at March 31, 2015 of:
 - (a) \$804.084 million to represent the amount of net assets invested in tangible capital assets as at March 31, 2015;
 - (b) \$60.920 million for the parking infrastructure reserve for future major maintenance, upgrades and construction;
 - (c) \$32.000 million to fund the Provincial Clinical Information Systems Initiative;
 - (d) \$20.012 million to represent net assets related to the minimum required equity of the Liability and Property Insurance Plan;
 - (e) \$16.079 million to fund cancer research;

- (f) \$15.205 million for specific local initiatives as a result of local fundraising;
- (g) \$10.000 million for future capital purposes; and
- (h) \$0.684 million for retail food services to assist with future upgrades, maintenance, equipment, and construction costs for retail food service operations:

are hereby approved:

2. The AHS:

- (a) Consolidated Financial Statements for the year ended March 31, 2015; and
- (b) Financial Statement Discussion and Analysis for the year ended March 31, 2015;

both for inclusion in the AHS Annual Report and both in substantially the form attached, with such non-substantive changes that management of AHS considers necessary or advisable are hereby approved; and

- 3. management of AHS be authorized and directed to take all such other action as management of AHS considers necessary or advisable in order to give full effect to the foregoing.

2. [ARC15-38] AHS 2014-15 Annual Report – Final Draft

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (the “RHA”) and the Order of the Minister of Health of Alberta effective November 17, 2014, appointing Dr. Carl Amrhein as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS AHS is required to prepare and submit to the Minister of Health the AHS 2014-15 Annual Report in compliance with the *Fiscal Management Act* and the *Regional Health Authorities Act*;

AND WHEREAS a draft of the AHS 2014-15 Annual Report has been presented to the Official Administrator for approval;

NOW THEREFORE BE IT RESOLVED THAT:

- (a) the “Alberta Health Services Annual Report 2014-15” in the form reviewed by the Official Administrator, with such non-substantive changes that management of AHS considers necessary or advisable is hereby approved; and
- (b) management of AHS is authorized to deliver this report to the Minister of Health, and thereafter to make this report available to the public through the AHS website.

Link to Annual Report: <http://www.albertahealthservices.ca/2220.asp>

3. [ARC15-42] Proposed Changes to the Internal Audit Charter

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (the “RHA”) and the Order of the Minister of Health of Alberta effective November 17, 2014, appointing Dr. Carl Amrhein as the Official Administrator of AHS (the “Official Administrator”);

AND WHEREAS the Chief Audit Executive reports annually to the Audit & Risk Committee and the Official Administrator on the adequacy and relevance of Internal Audit’s mandate, authority, and responsibility, as defined in the Internal Audit Charter;

AND WHEREAS the Internal Audit Charter was originally approved by the former board of AHS on October

15, 2010 (as amended) and has been amended from time to time;

AND WHEREAS any amendments to the Internal Audit Charter shall be approved by the Official Administrator;

AND WHEREAS it is proposed that the Internal Audit Charter be amended to include references to the new Audit & Risk Committee title and to clarify delegated responsibilities to the Audit & Risk Committee (the "Amended Internal Audit Charter");

NOW THEREFORE BE IT RESOLVED THAT:

1. The Amended Internal Audit Charter, in the form reviewed by the Official Administrator, with such non-substantive changes that management of AHS considers necessary or advisable, is hereby approved.
2. Management of AHS is hereby authorized and directed to take all such other action as management considers necessary or advisable in order to give full effect to the foregoing.

4. [ARC15-43] 2015-18 Internal Audit and ERM Department Plan

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (the "RHA") and the Order of the Minister of Health of Alberta effective November 17, 2014, appointing Dr. Carl Amrhein as the Official Administrator of AHS (the "Official Administrator");

AND WHEREAS the proposed 2015-18 Internal Audit and ERM Department Plan (the "Plan") provides an overview of the Internal Audit and ERM planned projects for the next three years;

AND WHEREAS the Plan is aligned with AHS strategic priorities, key risks and the Quality Matrix of Health;

AND WHEREAS the Plan is required to be approved by the Official Administrator;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Plan, in the form reviewed by the Official Administrator, with such non-substantive changes that management of AHS considers necessary or advisable, is hereby approved.
2. Management of AHS is hereby authorized and directed to take all such other action as management considers necessary or advisable in order to give full effect to the foregoing.

Finance Committee

1. [FC15-42] Interim Authorization to Spend
2. [FC15-43] Amendments to Delegation of Authority and Establishment of Controls for Commitments Policy #1100

1. [FC15-42] Interim Authorization to Spend

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 November 17, 2014, appointing Dr. Carl Amrhein as the Official Administrator of AHS (the "Official Administrator");

AND WHEREAS the AHS 2015/16 Budget has not yet been approved by the Minister;

AND WHEREAS Alberta Health has provided an authorization for AHS to spend from the base operating grant for the period from April 1, 2015 to June 30, 2015;

AND WHEREAS Alberta Health will provide an authorization for AHS to spend an allocation from the base operating grant for the period from April 1, 2015 to November 30, 2015;

AND WHEREAS AHS has expenses that are not funded by the base operating grant but are funded by own source revenues including restricted grants, fees, charges and investment income;

AND WHEREAS AHS requires approval for the authorization to spend for the period from April 1, 2015 to November 30, 2015;

NOW THEREFORE BE IT RESOLVED THAT:

1. AHS is hereby authorized to spend:

- a. maximum expenses of \$1,461 million from own source revenues and the amount authorized by Alberta Health from the base operating grant; and
- b. maximum capital expenditures of \$250 million.

2. [FC15-43] Amendments to Delegation of Authority and Establishment of Controls for Commitments Policy #1100

WHEREAS this Resolution is enacted pursuant to Section 11(2)(a) of the *Regional Health Authorities Act* (Alberta) (the "RHA") and the Order of the Minister of Health of Alberta effective November 17, 2014, appointing Dr. Carl Amrhein 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 #1100 (the "Policy") sets the delegated approval limits for the President and CEO(s);

AND WHEREAS it is proposed that the Policy be amended to clarify the application of the approval process to amendments and extensions to commitments executed by legacy regions, referred to as "Disestablished Authorities" in the proposed amendments (the "Amended Policy");

NOW THEREFORE BE IT RESOLVED THAT:

1. The Amended Policy is hereby approved on substantially the terms and conditions reviewed by the Official Administrator.
2. Management of AHS is hereby authorized and directed to make the Amended Policy available to the public through the AHS website.

Link to Policy #1100:

<https://extranet.ahsnet.ca/teams/policydocuments/1/clp-ahs-pol-doa-establishment-controls-commitments.pdf>

/s/

Catherine MacNeill
Acting Corporate Secretary