

POLICIES AND PROCEDURE MANUAL

Chapter:	General Management		
Title:	Delegation to the Chief Executive Officer and Executive Limitations		
Policy: X Procedure: <input type="checkbox"/> Version: 1.0 Page: 1 Of 2	Review Cycle: Annually Author: Chief Executive Officer	Adopted Date: 07.02.2014 Review Date: 05.03.2016 Revision Eff. Date:	Related Policies: General Management Board Governance

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Purpose

All Mid-State Health Network (MSHN) Board authority delegated to staff is delegated to the Chief Executive Officer (CEO). The CEO shall execute the delegated authority of the Board within defined executive limitations.

Policy

- 1) **Delegation of Authority:** The Board shall direct the CEO to achieve certain results through the establishment of Board policies and strategic priorities. The Board will limit the latitude the CEO may exercise in practices, methods, conduct and other "means" through establishment of executive limitations.

As long as the CEO uses reasonable interpretation of the Board's policies and executive limitations, the CEO is authorized to establish necessary procedures, make decisions, and take actions deemed necessary to achieve MSHN goals and compliance.

Only decisions of the Board, acting as a body are binding upon the CEO. Decisions or instructions of individual Board members, officers or committees are not binding on the CEO except in instances when the Board has specifically authorized such exercise of authority.

- 2) **Executive Limitations:** The CEO shall not cause or allow any practice, activity, decision or circumstance that is illegal, imprudent, or inconsistent with Board approved policy or is in violation of commonly accepted business and professional ethics. Accordingly, the CEO may not:
 - a. Deal with consumers, families, employees, contractors, Board members or persons from the community in an unprofessional or unethical manner.
 - b. Permit financial conditions that risk fiscal jeopardy or compromise Board policy and/or strategic priorities.
 - c. Knowingly provide information and advice to the Board that is untimely, incomplete or inaccurate.
 - d. Permit conflict of interest in making purchases, awarding contracts, or hiring of employees.
 - e. Approve and/or initiate expenditure of MSHN funds that differs from Board approved procurement policies; the CEO shall not exceed a spending limit of \$24,999 without prior Board approval.

- f. Manage MSHN without adequate administrative procedures for matters involving finances, internal controls, employees, contractors, facilities, and other required operations of the organization.

Applies To

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows: MSHN CEO
- MSHN's Affiliates: Policy Only Policy and Procedure
- Other: Sub-contract Providers

Definitions

MSHN: Mid-State Health Network

MSHN CEO: Mid State Health Network Chief Executive Officer

Other Related Materials

MSHN Board By-Laws

MSHN Operating Agreement

References/Legal Authority

NA

Change Log:

<u>Date Of Change</u>	<u>Description of Change</u>	<u>Responsible Party</u>
04.11.2014	New Policy	Chief Executive Officer
05.05.2015	Annual Review No Changes	Board of Directors
05.03.2016	Annual Review	Board of Directors