

CHIEF EXECUTIVE LIMITATIONS POLICY

1. Overarching Limitation:

The CE shall not cause or allow any practice, activity, organisational circumstance, or decision which is in any way unethical, unlawful, and imprudent or which violates any Governance Trust Board policy or expressed values, or any commonly held business or professional ethic.

2. Financial

The CE is delegated by the Governance Board as the authorised person who is responsible for the day-to-day financial management of the KHW MPHO and shall carry out this duty in a manner which shall in no way threaten its financial strength. To ensure the affairs are managed on a prudent basis, the CE shall not:

- 1 Cause the organisation to incur unauthorised indebtedness;
- 2 Use any organisational funds other than for the furtherance of its purposes and priorities as approved by the Governance Board.
- 3 Allow ordinary operating expenses to become undischarged debts beyond a two month period from due date.
- 4 Use restricted or "tagged" contributions for any purposes other than those designated.
- 5 Allow any one person alone to have complete authority over any of the organisation's financial transactions.
- 6 Operate outside the approved budget or in any manner which is not supported by the Governance Board.
- 7 Fail to pay staff on time.
- 8 Approve expenditure which, although in keeping with the ends policies and using budgeted resources, is beyond the organisation's ability to meet.
- 9 Fail to report any significant variances from budget figures.
- 10 Violate generally accepted accounting practices.
- 11 Authorise expenditure on any item beyond the delegated limit without authorisation from the Governance Board.

3. Credit Card

The KHW MPH0 provides the CE with a credit card to facilitate easy and convenient financial transactions. Therefore the CE shall not neglect to develop and maintain an efficient and effective operational policy to ensure that there are limitations on expenditure and adequate controls on the use of credit cards by card holding staff.

4. Investments

The KHW MPH0 investment assets are to be invested in such a way as to maximise long term total returns consistent with prudent levels of risk, whilst maintaining sufficient liquidity to enable the organisation to meet its day to day financial commitments. Returns should enhance the real value of the assets after the funds have been released to meet the organisation's needs.

The Governance Board delegates the CE day to day investment management, and any investment decisions will fall inside the aforementioned guidelines.

5. Budgeting and Planning

Budgeting and financial planning for any fiscal year, including the remaining part of the current year, shall be in keeping with the Governance Board's strategic plan and will not risk financial jeopardy. Therefore the CE shall not present a budget which:

- 1 Contains insufficient detail to provide an accurate projection of revenues, expenditures and capital movements.
- 2 In any way disguises the true cash flow position to confuse or mislead any audit trail.
- 3 Contains projected expenditures which exceed the projected reasonable estimate of revenue during the period covered by the budget.

Chairperson:  Date: 14/11/2015

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| Date Approved: | March 2015 |
| Review Date: | March 2017 |