

ADDENDUM C

Annual Budget Approval

Policies, BOD only

FIN-01

(Rev: 1) Official

Applicable to: All PPH Entities - 00

Affected Departments: All Departments Board of Directors

I. PURPOSE:

To establish policy, as a part of the Board's fiduciary obligation expressed in the Local Health Care Law and the Board Bylaws, and in compliance with the standards of the Joint Commission on Accreditation of Health Care Organizations, the Governing Board is responsible for the Health District's annual budgets, both operating and capital budgets, develops a long-term capital expenditure plan and monitors the implementation of same.

II. DEFINITIONS:

III. TEXT / STANDARDS OF PRACTICE:

- A. The board has delegated certain responsibilities to the Finance Committee; the committee serves as an advisor to the board for budgetary purposes. Those responsibilities include:
1. Review the proposed, annual operating budgets for the District and its entities;
2. Review and make recommendation for the final consolidated operating budget.
3. The development and recommendation of an annual capital budget spending limit by category of expenditure: Medical Equipment >= \$100,000, routine less than <= \$100,000 facility renovations and improvement, information technology and reserve funds. In addition to the annual capital budget, a three-year capital expenditure plan which is updated at least annually and includes and identifies the anticipated source of financing for and objective of each proposed capital expenditure in excess of \$100,000.
B. A system of incremental reporting on the budget process is done, to insure Board approval and adoption of the annual budget is completed prior to the commencement of the fiscal year.
C. Prior to the full board approval, a thorough presentation is to be made to the board with opportunity for questions.
D. This policy will be reviewed and updated as required or at least every three years.

DOCUMENT / PUBLICATION HISTORY:

Original Document Date: 2/94
Reviewed: 4/18/95; 1/99; 6/05; 9/07
Revision Number: 2 Dated: 9/07
Document Owner: Michael Covert
Authorized Promulgating Officers: Marcelo R. Rivera, Chairman

CROSS REFERENCE DOCUMENTS:

Prior to 2005 this policy was Board Policy 10-502

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Table with 4 columns: Revision Number, Effective Date, Document Owner at Publication, and Description. Row 1: (this version) 1, 06/01/2005, James Neal, Director of Corporate Integrity, Original Document Date: 2/94 Reviewed: 4/18/95; 1/99; 6/05 Revision Number: 1 Dated: 6/05 Document Owner: Michael Covert Authorized Promulgating Officers: Marcelo R. Rivera, Chairman

VI.

Authorized Promulgating Officers: (06/01/2005) James Neal, Director of Corporate Integrity
(06/01/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Prior to 2005 this policy was Board Policy 10-502	
		<i>Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at .</i>
		<i>http://www.lucidoc.com/cgi/doc-gw.pl/ref/pphealth:21809</i>