

# Budgets: Minor Capital

## 1. Introduction

Providence Health Care (PHC) follows a process for the approval of minor capital purchases.

### 1.1. Scope

This policy applies to minor capital facility projects and minor capital equipment purchases (together “minor capital purchases”).

### 1.2. Exceptions

This policy does not cover requests for equipment costing > \$100,000, equipment costing <\$5,000, facility projects >\$1 million or Routine Capital Investment (RCI) projects that are coordinated with Vancouver Coastal Health Authority (VCHA).

## 2. Policy

The VCHA provides PHC with a minor capital allocation for facility projects and equipment annually.

The Executive Director, Financial Services recommends the initial allocation between facility projects and equipment to CFO for approval.

### 2.1 Facility Projects

The facility projects are managed and delivered by the Facilities Management department. PHC departments submit proposed projects throughout the year, detailing the improvements these would have on clinical or building functionality. Clinical projects are costed by Facilities Management then brought forward to the Executive Director Leadership Team (EDLT) for review and approval.

Projects that involve urgent repairs/replacement of building systems and infrastructure are carried out at the discretion of the Executive Director – Projects, Planning & Facilities Management.

PHC’s Audit & Finance Committee receives quarterly presentations on all capital projects under \$1M for their review.

### 2.2 Minor Capital Equipment Purchases

The equipment purchases are determined in a prioritization process that involves stakeholders from various portfolios within the organization.

The clinical or support area completes an intake form for each equipment item. All intake forms are reviewed and scored by a group consisting of Director, Logistics & Facility Services, Director, Clinical Supplies & Equipment, PHC Representatives from LMC Biomedical Engineering, and Executive Director - Projects Planning & Facilities Management.

A collaborative process to gather information from the organization involves a broader group consisting of:

- Regional Director, Biomedical Engineering
- Manager, Biomedical Engineering

- Executive Director, Financial Services
- Director, Financial Planning & Reporting
- Executive Director, Acute Care
- Director, Clinical Operations, Seniors Care
- Director, Clinical Supplies & Equipment
- Executive Director - Projects, Planning & Facilities Management
- Director, Logistics & Facilities Services
- New St Paul's Project Director, Equipment & Technology Planning

The Executive Director, Financial Services reviews the scoring and makes the final decision for approved equipment. Decisions are communicated to the Senior Leadership Team, the Clinical Operations Group and other relevant areas of the organization.

Minor Capital Equipment Purchases that involve urgent repairs/replacement of existing equipment are initiated at the discretion of the Regional Director, Biomedical Engineering following consultation with the Executive Director, Financial Services for funding confirmation.

### **3. Responsibilities**

#### **3.1. Executive Director, Financial Services**

Based on the recommendation from the review group, the Executive Director, Financial Services is responsible for overseeing the process to allocate the funds received from VCHA for minor capital equipment and minor capital facility projects and monitors approved expenditures.

#### **3.2. Regional Director, Biomedical Engineering**

The Regional Director, Biomedical Engineering is responsible for coordinating the purchase of approved minor capital equipment.

#### **3.3. Executive Director - Projects, Planning & Facilities Management**

The Executive Director – Projects, Planning & Facilities Management is responsible for managing of all facility projects.

### **4. Supporting Documents**

#### **4.1. Guidelines/Procedures/Forms**

##### **Intake Form – Facility Projects or Minor Capital Equipment Purchases**

To obtain a copy of the form go to PHC's Intranet under Capital Planning

<b>Effective Date:</b>	15-December-2021			
<b>First Released:</b>	14-November-2014			
<b>Last Revised:</b>	15-December-2021			
<b>Last Reviewed:</b>	15-December-2021			
<b>Approved By:</b>	PHC			
	Senior Leadership Team / Executive Sponsor: CFO & VP Corporate Development			
<b>Owners:</b>	PHC			
	Finance			
<b>Revision History:</b>	<b>Version</b>	<b>Date</b>	<b>Description/ Key Changes</b>	<b>Reviewed / Revised By</b>
	2	November 8, 2017		Finance
	3	February 26, 2021		Finance