

Board Governance Policy: CEO Delegation

1. Purpose: The purpose of this policy is to define the delegation of authority from the Board of Directors to the CEO, ensuring effective governance and management of the organization.
2. Scope: This policy applies to the CEO and the Board of Directors of San Luis Valley Mental Health Center dba San Luis Valley Behavioral Health Group.
3. Delegation of Authority: 3.1 The Board delegates authority to the CEO to manage the day-to-day operations of the organization in accordance with the strategic direction set by the Board. 3.2 The CEO is authorized to make operational decisions within the framework of approved budgets, policies, and strategic plans. 3.3 The CEO is responsible for hiring, supervising, and evaluating senior management, as well as overseeing the organization's workforce. 3.4 The CEO has the authority to enter into contracts and agreements on behalf of the organization, within approved budgetary limits and subject to legal review when necessary. 3.5 The CEO is empowered to represent the organization in external matters, including partnerships, collaborations, and public relations activities.
4. Reporting and Communication: 4.1 The CEO shall provide regular updates to the Board on the organization's performance, financial status, strategic initiatives, and any significant operational matters. 4.2 The CEO shall promptly inform the Board of any material developments or events that may affect the organization's operations, reputation, or strategic direction.
5. Limitations: 5.1 The delegation of authority to the CEO does not absolve the Board of its oversight responsibilities. 5.2 The CEO must adhere to all applicable laws, regulations, and ethical standards in carrying out delegated responsibilities. 5.3 The CEO shall seek Board approval for significant decisions outside the scope of routine operations or those exceeding established thresholds.
6. Review and Amendment: 6.1 This policy shall be reviewed annually by the Board to ensure its effectiveness and relevance. 6.2 Any proposed amendments to this policy shall be approved by the Board of Directors.
7. Compliance: 7.1 All Board members, the CEO, and senior management shall adhere to this policy and any related procedures established by the organization. 7.2 Non-compliance with

this policy may result in disciplinary action, up to and including termination of employment or removal from the Board.

8. Effective Date: This policy shall be effective upon approval by the Board of Directors and shall remain in force until amended or rescinded by the Board.