 <p>JOHNS HOPKINS MEDICINE JOHNS HOPKINS HEALTH SYSTEM</p>	<p>The Johns Hopkins Health System Policy & Procedure</p>	<i>Policy Number</i>	FIN084	
		<i>Effective Date</i>	01-01-08	
	<i>Subject</i>	CAPITAL BUDGETING	<i>Page</i>	1 of 2
			<i>Supersedes</i>	10-01-06

POLICY

This policy applies to The Johns Hopkins Health System Corp. (JHHS) and the following affiliated entities: The Johns Hopkins Hospital (JHH), Johns Hopkins Bayview Medical Center (JHBMC), Howard County General Hospital (HCGH), Johns Hopkins Community Physicians (JHCP), Johns Hopkins Medical Services Corporation (JHMSC), Johns Hopkins Medicine International (JHMI), Ophthalmology Associates (OA), Johns Hopkins Employer Health Programs (EHP), Johns Hopkins Medical Management Corporation (JHMMC), Priority Partners (PP), Johns Hopkins Pharmaquip, Inc. (JHPQ), Johns Hopkins Home Health Services, Inc. (JHHHS), Johns Hopkins Pediatrics Home, Inc. (JHPAHI), Johns Hopkins HealthCare (JHHC), Johns Hopkins Home Care Group (JHHCG), Suburban Health Center (SHC), Broadway Acquisition and Development, and HCGH OB/GYN Associates Series, LLC (HCGH OBGYN)

Purpose

The purpose of the policy is (1) to provide sufficient review and approval of the annual capital budget by senior management and governing bodies (affiliate Boards, JHHS Board of Trustees, JHM Board of Trustees), and (2) to ensure completion of all required elements within the allotted timeframe.

The following review and approval process of the annual capital budget must be followed:


1. Initial review and approval will be completed by Senior Management at each affiliate.
2. The President and Chief Executive Officer, and the Executive Vice President of the Johns Hopkins Health System Corporation will approve, and recommend distribution to the JHHS and JHM Board of Trustees.
3. The Board of Trustees of each affiliate will review and approve capital budgets included in the Annual Operating Plans.
4. The JHHS and JHM Board of Trustees will complete final review and approval of affiliate annual capital budgets.

It is imperative that responsible affiliate representatives participate in the annual capital budget process.

<u>Affiliate</u>	<u>Representative</u>
JHH	Management Committee
JHBMC	Senior Management
HCGH	Senior Management
All other affiliates	Senior Management

RESPONSIBILITIES

Vice President of Finance/Chief Financial Officer (CFO) and Treasurer, JHHS	Ensure that the annual capital budget is prepared in accordance with the provisions outlined in this policy.
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SPONSOR

Vice President of Finance/CFO and Treasurer, JHHS

REVIEW CYCLE

Three (3) years

APPROVAL

 President, JHHS

 Date