

## **D – Executive Limitations**

## **Asset Protection**

### **Background**

Northern College primarily exists to meet the educational and training needs in northeastern Ontario. In part these needs are met through the existence of its community campuses, access centres, and the associated infrastructure, comprised of property, information and technology assets, as well as financial assets. The Board of Governors is responsible for the College's assets with some limitations regarding real property set by the ministry.

### **Policy**

The President shall not allow assets to be unprotected, inadequately maintained or unnecessarily risked.

### **Procedure**

#### **A. Financial Assets**

Accordingly, the President will not permit the College to operate without ensuring:

1. appropriate financial controls and procedures;
2. purchases are made in accordance with sound purchasing practices and provincial policies;
3. that funds not required for immediate use will be invested in a manner which does not violate Regulations and Policy Directives issued under the OCAAT Act, minimizes the College's investment risk exposure and provides a reasonable rate of return for the College;
4. that a competitive process to select a financial institution for banking services, that ensures both high-quality services and fairness in the marketplace is followed;
5. to report to the Board on investment performance on a basis consistent with established benchmarks as set by the Board; and
6. to advise the Board of any changes in the investment standard of practice prior to implementation.

## B. Property Assets

Additionally, the President shall not:

1. fail to insure against theft, fire and casualty losses to a prudent replacement value with an appropriate deductible;
2. permit the College to be without insurance against theft and casualty losses and against liability losses to Board members, staff or the organization itself in an amount consistent with comparable organizations;
3. unnecessarily expose the College, its Board members or staff to claims of liability;
4. cause or allow plant and equipment to be subjected to improper wear and tear or insufficient maintenance;
5. make purchases without due consideration to quality, after-purchase service, value for dollar, impact on partnership, and opportunity for fair competition;
6. make any purchase wherein normally prudent protection has not been given against conflict of interest;
7. fail to have a business continuity/contingency plan in place that is reviewed regularly;
8. fail to plan and provide for necessary technology enhancements or acquisitions to support effective learning, instruction, and services;
9. fail to develop and maintain appropriate information systems that enable effective program/service delivery, which are compatible with relevant provincial initiatives, and avoid duplications;
10. dispose of or transfer fixed assets without consideration of achieving a maximum return and taking normally prudent actions to avoid the possibility of conflict of interest;
11. acquire, encumber or dispose of land or buildings, or lease land without the Board's prior knowledge and consent.

## Monitoring System

The President shall provide an annual statement or statements of compliance with this policy including a summary of any ongoing challenges and emerging issues.