

BRIEFING NOTE

TO: Board of Directors

FROM: Governance Committee

DATE: October 4, 2021

SUBJECT: Content Review of the Asset Protection Policy 2-04

For Decision

For Information

Monitoring Report

Purpose:

To carry out a scheduled review of the Asset Protection Policy 2-04 for the purpose of determining whether any amendments are necessary.

Background:

It is the responsibility of the Board to develop, approve, update and evaluate implementation of its governance policies. Appendix 2 to the COO's Policy Governance Manual sets out a review schedule for all policies in the manual. The purpose of reviewing the policies on a regular basis is to ensure that they continue to be relevant and serve the function that they were implemented for.

For Consideration:

The Asset Protection Policy 2-04 was approved by the Board on October 1, 2018 and falls within the Operational Boundaries Category. Policies in this category set out the Board's risk boundaries for the COO's operations.

The Asset Protection Policy is redlined in **Appendix A** below and a clean version, **Appendix B**, is also attached.

On review, the Governance Committee was of the view that the policy required only minor updating to ensure that the policy continued to reflect its principles of liquidity when needed and capital preservation.

Public Interest Consideration:

The Board has recognized the importance of strong governance in order to carry out its object of regulating the profession in the public interest and has invested significant time and resources into updating its governance policies and processes. Reviewing the content of these policies ensures that policies are consistent and effective, and that the College is up to date with regulations, technology, and regulatory best practices.

Diversity, Equity and Inclusion Considerations:

It is incumbent on the Board to consider whether the proposed policy is consistent with the COO's organizational values relating to diversity, equity and inclusion.

Recommendation:

To approve the changes to the Asset Protection Policy 2-04 as recommended by the Governance Committee.

POLICY TYPE: OPERATIONAL BOUNDARIES

2-04 Asset Protection Policy

The Registrar, CEO shall not allow COO assets to be unprotected, to be inadequately maintained, to be inappropriately placed at risk, or fail to be maximized.

Further, the Registrar, CEO will not:

RISK MANAGEMENT AND INSURANCE

1. Operate without a comprehensive risk management approach in place which minimizes and mitigates COO's risks.
The risk management approach will include:
 - a. Internal controls for the operations of the COO that would be assessed as appropriate to meet Generally Accepted Accounting Principles (GAAP).
 - b. A comprehensive occurrence management system.
 - c. An insurance program that addresses all theft and casualty losses to at least 100% of the replacement value.
 - d. Appropriate comprehensive liability insurance coverage for Directors, staff, volunteers, and the organization, consistent with the standards for comparable organizations.
2. Unduly expose the organization, its Board or staff to liability claims.

UNINSURED UNAUTHORIZED ACCESS TO FUNDS

3. Allow unauthorized personnel and uninsured individuals access to funds.

PREMISES AND EQUIPMENT

4. Operate without taking reasonable steps to safeguard premises and equipment from improper use or insufficient maintenance.

PURCHASES / CONTRACTS

5. Make any purchase or contracts for goods and/or services:
 - a. Without prudent protection being given against conflict of interest.
 - b. Without a Request for Proposal process (for price and quality) for amounts over \$50,000, where competitors are available.
 - c. Of capital expenditures without adhering to the approved capital budget or without a specific Board approval if the item is not in the capital budget.
 - d. To acquire, encumber or dispose of real estate without prior Board approval.

(See Vendor Relations & Procurement Management Policy, 2-05)

INFORMATION

6. Fail to protect intellectual property, information and files from loss, damage, or theft (see Intellectual Property Policy, 2-13).

MONITORING INDEPENDENCE

7. Compromise the independence of the Board's annual independent financial audit or other external monitoring or advice, such as by engaging parties already chosen by the Board as

consultants or advisors.

PUBLIC IMAGE

8. Harm the organization's public image or credibility, particularly in ways that would hinder its accomplishment of Strategic Outcomes Policies.
9. Change or modify the organization's name or substantially alter the essence of its corporate identity.

INVESTMENT RISK

10. Fail to adhere to the Investment Policy, 2-06 with respect to investments and/or operating capital held by the COO.

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