

BRIEFING NOTE

TO: Board of Directors

FROM: Fazal Khan, Registrar, CEO

DATE: September 23, 2024

SUBJECT: Asset Protection Policy (2-04) Monitoring Report

☐ For Decision ☐ For Information ☒ Monitoring Report

Purpose:

To provide the Board with a monitoring report on the Asset Protection Policy (2-04), in accordance with the monitoring report schedule approved by the Board.

Registrar, CEO Interpretation and Evidence:

The Asset Protection Policy (2-01) was approved by the Board in October 2018 and was last reviewed by the board in October 2021.

The information contained in this monitoring report represents compliance with a reasonable interpretation of the policy. This monitoring report covers the period from **January 2022 to September 2024**.

The next Asset Protection Policy Monitoring Report is due in October 2025.

Policy Requirement	Interpretation and Evidence
Risk Management and Insurance	<p>The College is protected for contents (100%) and liability under the HIROC Insurance plan (a program designed for Health Regulators) and as a requirement of insurance, we are obliged to fill out a yearly assessment to ensure adequate levels of insurance for assets and general liability.</p> <p>The HIROC Insurance program extends coverage to all Directors, staff, volunteers and the organization. When required, the plan is further extended to cover any loss or liability when operating off site such as the Registration Examinations.</p> <p>Internal equipment such as laptops, desktops, tablets and peripherals are inventoried by front desk as well as monitored by our IT Support Vendor. This includes the physical tracking of laptop locations.</p> <p>CRTO confirmed extension of their insurance plan to cover equipment brought on site during their tenancy in the COO office space.</p>

Uninsured Unauthorized Access to Funds	Signing authorities are limited to the Registrar, Deputy Registrar, Chair and Vice Chair. These signatories are updated as changes occur at the staff and Board level. Almost all payments are now
Premises and Equipment	<p>Premises and equipment are regularly observed for any deficiencies and any repairs are made immediately. This includes physical premises, office equipment, AV equipment and any IT infrastructure.</p> <p>IT infrastructure is monitored 24/7 by our vendor and an audit of all technology, equipment and software is conducted yearly with recommendations made for updates to security and replacement of equipment such as computers on a 4 year cycle.</p>
Purchases / Contracts	<p>Consultant and equipment requirements are typically forecasted and budgeted for during the fall budgeting cycle. Managers and consultants are canvassed for quotations and funds are assigned. All contracts are reviewed by legal counsel and executed through the Finance department to ensure adherence to the budget. If an item were to be unbudgeted, over budget or trending over budget, the Finance Committee of the Board is notified. Adequate reserves are held in General Reserves for any major unforeseen situations although this has not been the case in almost a decade. Purchases/Contracts over \$50 000 are sought through an RFP process while all contracts are regularly reviewed for adherence to quotations and overall market competitiveness.</p> <p>The College currently does not own real estate that would require a discussion regarding disposal or encumbrances.</p>
Information	<p>All intellectual property, information and files are safeguarded in a cloud environment with appropriate backups and appropriate levels of access based on department and position. Physical file achieves were moved off site to Iron Mountain for secure storage in accordance with the College file retention policy, overseen by COO legal counsel. IP is further safeguarded through the use of Non-disclosure and</p> <p>Privacy Agreements for all staff, board, contractors and vendors.</p>
Monitoring Independence	<p>Day to day financial management is conducted by our in-house accounting specialist with independent audit of finances through the auditor appointed by the Board.</p> <p>In order to further mitigate risk at the HR level, the College seeks independent legal advice on matters that carry a higher level of risk to the organization.</p>
Public Image	<p>The College has designated the Registrar and the Board Chair as the official spokespersons for the organization. As representatives of the organization, they are provided with Public Relations training. Speaking points for the spokespersons, any outbound communications, social media content and website content are</p>

	<p>reviewed by the communications team and legal counsel. Where appropriate, the College will seek guidance from our Government and Public Relations consultants.</p> <p>Great care is given in ensuring the use of the College's logo/brand is authorized, consistent and professional in nature. The College logo was updated in 2017 after consultation with the Board of Directors.</p>
Investment Risk	<p>Adequate operational funds are held in a High Interest Savings account to meet quarterly and yearly cash demands. Factors such as the maturation of GIC's are reviewed as we assess cash requirements (minimum, quarterly). GICs are held for all excess capital is held in accordance with Investment Policy 2-06.</p>

Public Interest Considerations:

This policy serves the public interest by ensuring resources are used efficiently, transparently, and sustainably. It optimizes asset utilization, controls costs, and improves service delivery by maintaining infrastructure and planning for long-term needs. The policy promotes accountability through clear guidelines and regular reviews, supports risk management, and aims for equitable resource distribution. This approach helps enhance public trust, protect against disruptions, and align asset management with the College's needs.

Diversity, Equity, and Inclusion Considerations:

DEI considerations include fostering diverse teams to enhance decision-making and integrating inclusive strategies to address varied stakeholder needs.

Risk Management Considerations:

The policy supports the Board's ability to manage risks by ensuring that assets are adequately insured and protected which mitigates the risk of financial loss, includes measures to prevent unauthorized access to funds and ensures compliance with legal requirements, reducing the risk of legal liabilities. Regular monitoring and maintenance of equipment and premises help prevent operational disruptions, ensuring smooth and continuous operations.

Recommendations/Action Required:

- 1) Does the Board agree that the Registrar, CEO's interpretation of Asset Protection Policy was reasonable?
- 2) Does the Board agree that the Registrar, CEO complied with this policy as reasonably interpreted?

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 \$50,00 where competitors are available.
 - c. Of capital expenditures without adhering to the approved capital budget or without 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.