

Approval Authority: Board of Governors

Last Approved: February 4, 2013

Administrative Responsibility: President

Next Review: 2024-2025

POLICY

4.0 GENERAL EXECUTIVE CONSTRAINT

The President shall not cause or allow any practice, activity, decision or organizational circumstance which is either illegal, imprudent or in violation of commonly accepted business and professional ethics.

Accordingly, the President shall not:

1. Deal with students, staff, volunteers and the community unfairly.
2. Discourage an open climate in the decision-making process.
3. Deviate materially from the Board's Ends priorities, risk fiscal jeopardy or fail to show a generally acceptable level of foresight in budgeting any fiscal period or the remaining part of any fiscal period.
4. Provide information and advice to the Board that has significant gaps in either timeliness, completeness or accuracy.
5. Fail to adequately maintain, or unnecessarily risk, assets.
6. Provide compensation and benefits for staff that deviate materially from the market.
7. Award purchases or other contracts that create a conflict of interest.
8. Impede the mission, values, vision, or prohibit the achievement of the ends of the institution.
9. Allow employees to conduct themselves in such a manner that they enter into a conflict of interest with the employer.

4.1 PEOPLE TREATMENT

The President shall not:

1. Operate without personnel procedures which clarify employment rules, provide for effective handling of grievances and protect against wrongful working conditions.
2. Discriminate against anyone for expressing a dissenting opinion.
3. Fail to acquaint staff and students with their responsibilities and rights.
4. Fail to operate in a manner consistent with the Institute's values.
5. Fail to provide a mechanism for reducing stress and uncertainty during organizational change.

4.2 BUDGETING/FORECASTING

The President shall not fail to present to the Board for approval a proposed Annual Budget. Furthermore, the development of the proposed budget shall not have:

1. Included too little information to enable accurate projection of revenues and expenses, separation of capital and operational items, and disclosure of planning assumptions.
2. Planned the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period.
3. Fail to provide the opportunity for a broad base of input.

4.3 FINANCIAL CONDITION

Unless direction has been given by the Board through the approval of the annual budget or through a specific Board resolution, the President shall not:

1. Expend more funds than have been received in the fiscal year.
2. Enter into any contracts, expenditures, or outlays that would result in projected deficits, impair long term fiscal viability, or jeopardize normal fiscal flexibility in the future, or otherwise act in ways inconsistent with normal practices within the British Columbia public post-secondary system.
3. Make or allow to be made:
 - i) any purchase where prudent steps have not been taken to avoid conflict of interest.
 - ii) any purchases without following prudent purchasing processes.
4. Allow any statutory requirements, payments or filings to be overdue or inaccurately filed.
5. Allow tax receipts to be issued for donations acceptable to the Institute that do not reflect the fair market value of the gift.
6. Use any long-term reserves of the Institute.
7. Use any of the financial resources of the Institute to contribute to or pay for fund raising events for any political party or candidate for public office.
8. Engage in entrepreneurial activity that is inconsistent with contribution to the overall mission, vision, values and strategic directions of the Institute in order to generate income.
9. Acquire, encumber or dispose of land or buildings.
10. Settle legal claims exceeding anticipated liability or benefit to the Institute for amounts in excess of \$100,000 without first consulting with the Board and receiving its direction.

4.4 COMMUNICATION AND COUNSEL TO THE BOARD

The President shall not:

1. Neglect to submit monitoring data required by the Board (see policy on Monitoring Executive Performance) in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.

2. Let the Board be unaware of: changes in the assumptions upon which any Board policy has previously been established and relevant trends, anticipated adverse media coverage, actual or anticipated legal actions, and material external and internal changes.
3. Fail to advise the Board if the President is aware of concerns that the Board is not in compliance with its own policies on Governance Process and Board-President Relationship, particularly in the case of Board behaviour which is detrimental to the work relationship between the Board and the President.
4. Present information in unnecessarily complex or lengthy form.
5. Fail to provide necessary support for official Board or committee communications.
6. Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

4.5 ASSET PROTECTION

The President shall not:

1. Fail to maintain adequate insurance to protect Institute assets where not covered by the University, College and Institute Protection Program of the Provincial Government.
2. Subject plant and equipment to unsafe use, improper wear and tear, or inadequate maintenance within the standard permitted by available funds.
3. Unnecessarily expose the organization, its Board or staff to claims of liability.
4. Receive, process or disburse funds under controls which are insufficient to meet the test of prudent fiscal management.
5. Fail to ensure that assets are protected in a cost-effective manner against misappropriation.
6. Fail to ensure that assets are disposed of in an appropriate manner.
7. Fail to ensure that adequate records are kept to comply with the internal control needs identified by the Institute's auditor.
8. Fail to ensure that the Board authorizes from time to time by resolution signatories for the Institute's bank accounts, such signatories to reflect the segregation of duties appropriate to NVIT's context and ability.

4.6 COMPENSATION AND BENEFITS

The President shall not:

1. Change his or her own compensation and benefits.
2. Establish current compensation and benefits which deviate materially from guidelines established by the Public Sector Employers' Council (PSEC) and the Post-Secondary Employers' Association (PSEA).
3. Establish pension benefits which do not comply with B.C. Pension Corporation regulations.
4. Allow termination arrangements that are inconsistent with the Public Sector Employers Act "Employment Termination Standards".
5. Allow employees to be hired without being made aware of appropriate benefits available to them, and of the Institute's expectations of them.

4.7 PROGRAMS OF INSTRUCTION AND TUITION/ANCILLARY FEES

The President shall not fail to submit for Board approval:

- a) proposals for new “credit” and “developmental education” courses and programs of instruction,
- b) proposals for changes in the length of or hours for “credit” and “developmental education” courses and programs of instruction,
- c) proposals for the permanent cancellation of “credit” or “developmental education” instructional courses or programs, and
- d) tuition and/or ancillary fee changes for existing programs of instruction.

4.8 EMERGENCY OR TEMPORARY EXECUTIVE SUCCESSION

In order to protect the Board from sudden loss of chief executive services, the President/CEO may not have fewer than two other senior administrators familiar with Board and Presidential issues and processes.

Furthermore:

- a) When the President has planned absences longer than the normal vacation, the President will make a recommendation to the Board concerning who should act for the President. Normally, the President and the Board will agree on the selection for Acting President.
- b) If the Board determines that the President is unable to perform his/her duties and responsibilities, the Board may appoint an Acting President. Any “interim President” appointed by the Board will be referred to as the Acting President.
- c) If it becomes necessary for the Board to appoint an Acting President, the Board is not limited to the candidates identified by the President.

4.9 ADDITIONAL POLICY AREAS REQUIRING BOARD APPROVAL

In addition to the policy areas of Ends, Board-President Relationship, Executive Limitations, and Governance Process, the Board may be required by legal or legislative circumstances to reserve for itself certain other policies. The Board may also desire to reserve policy approval for itself in areas of high impact either legally, financially, or on the reputation of the Institute.

Accordingly, the President may not independently approve policies in areas the Board from time-to-time may stipulate it reserves for itself, or where there is a legal or legislative requirement for a specific policy to receive approval by the Board. This executive limitation does not prevent the President from recommending to the Board that it address the approval of a particular policy, e.g., the Elders policy.

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