

# **BOARD OF GOVERNORS**

**Policy Type:** Executive Limitation  
**Approved:** November 21, 2006  
**Revised:** June 2018; 2013, 2009 and 2007



## **EL-4 – Financial Condition and Activities**

With respect to the actual, ongoing financial conditions and activities, the president shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in *Ends* policies.

Further, without limiting the scope of the above statement by the following list, the president shall not:

1. Expend more funds than have been received in the fiscal year unless the debt guideline below is met.
  - 1.1. Incur debt in an amount greater than the available line of credit.
2. Use any long-term reserves.
3. Write off receivables without having first aggressively pursued payment after a reasonable grace period.
4. Allow the untimely payment of payroll and debts.
5. Allow tax payments or other government ordered payments or reports to be overdue or inaccurately filed.
6. Acquire, encumber, or dispose of land or buildings.
7. Engage in entrepreneurial activity that is inconsistent with contribution to the overall Ends of the college in order to generate income.
8. Enter into any contracts, expenditures, or outlays that would result in projected deficits, impair long term fiscal viability, or jeopardize normal fiscal flexibility of future administrations or boards, or otherwise act in ways inconsistent with normal practices within Canadian colleges.
9. Use any of the financial resources of the college to contribute to or pay for fund raising events for any political party or candidate for public office.