



Board Governance Policy Manual

POLICY CATEGORY: EXECUTIVE LIMITATIONS POLICY NUMBER: D08

POLICY TITLE: ENTREPRENEURIAL ACTIVITIES & SUBSIDIARIES

EFFECTIVE: JAN.10/07

REFERENCE (MOTION): 387.O.7.8 (EST. OCT. 2005)

BACKGROUND

Consistent with the College mission as defined in Policy A01 and the broad scope of College activities, new entrepreneurial initiatives and opportunities for the creation of College subsidiaries may arise. It is recognized that such opportunities present both benefits and risks. As a result, the Board of Governors has created this policy to define appropriate executive limitations associated with involvement in entrepreneurial activities and subsidiaries.

Definitions

Entrepreneurial Activities

Two categories are recognized:

Ancillary Services Services intended primarily for use by students and staff that support education and training activities (e.g. parking, bookstores, cafeteria, space rental, etc.) that may be delivered directly or through contract with third parties.

Commercial Services Services related to the College's education and training mandate that are offered to the general public (e.g. learning enterprises, childcare, etc.) and may return a profit to the college.

Subsidiary

A corporate body, either partially or wholly owned, incorporated at the direction of the College or effectively controlled by the College (not including a corporate student government or a corporate body incorporated at the direction of, or effectively controlled by a student government.) Subsidiaries may be incorporated provincially or federally depending on College

requirements. The mandate of a subsidiary may not be greater than or in conflict with that of the College. Examples include for profit, non-profit (either of these being share issuing or non-share issuing) and foundations.

POLICY STATEMENTS

1. The President will not fail to ensure that entrepreneurial activities:
 - 1.1 are supported by a strong business case;
 - 1.2 will contribute positively (as a whole) to the College's financial position;
 - 1.3 will directly support the College's strategic directives; and
 - 1.4 are consistent with the education and training mandate of the College and the Minister's Binding Policy Directive on Entrepreneurial Activities.

2. In addition, without limiting the scope of the above statement, the President will not fail to:
 - 2.1 Engage in ongoing consultation with the industry in question when a commercial activity is in competition with the Private sector, to ensure ongoing support from industry partners.
 - 2.2 Ensure fair market value pricing for goods and services provided to the general public in competition with the private sector.
 - 2.3 Employ strategies to protect the core business and assets and the reputation of the College.
 - 2.4 Include entrepreneurial activities in the College's annual Business Plan and Annual Report.
 - 2.5 Submit to the Board proposals for any of the following activities:
 - 2.5.1 issuance of debt securities (i.e. notes, bond, debentures, debt instruments of any kind)
 - 2.5.2 creation of subsidiaries (wholly or partially owned)
 - 2.5.3 acquisition of an interest in, or outright ownership of an organization or company.

MONITORING

The President will verify in writing at the Annual General Meeting that he/she has neither caused nor knowingly permitted any practice, activity, decision or organizational circumstance related to Entrepreneurial Activities and Subsidiaries that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics.

POLICY REVIEW DATE:

January 10/07 – item 387.O.7.8

September 8, 2010

Annual

Next Review – 2011/2012 (By Audit, Finance & Infrastructure Committee)