1. Purpose
The purpose of this policy is to set out the responsibilities and accountabilities associated with the efficient and economic use of physical/capital resources regarding capital, renovation and maintenance projects.

2. Application and Scope
This policy applies to all College employees and includes projects using operating and government grant funds under the administration of the College.

3. Definitions
“Capital” means assets comprising tangible properties such as land, buildings, equipment and are held for use in the provision of services, have the intention of being used on a continuing basis, and are not intended for sale in the ordinary course of business.

“Capital Planning Committee (CPC)” means a committee that approves submitted capital, maintenance and renovation project requests. The committee members include various Mohawk Executive Group members, Chief Officers, and Directors of the College.

“Maintenance” means costs required to maintain the current service potential of a capital asset or facilities.

“Renovation” means costs required to restore or repair current facilities at the College.

4. Principles
A. Accountability – Mohawk is accountable for public funds used to purchase goods and services. All expenses must support business objectives. Since expense accounts can become matters of public record through audit or other means, expenses should be incurred and claimed in a manner that is publicly defensible and will not harm the College’s reputation as a good manager of its resources.

B. Transparency – Mohawk is transparent to all of its stakeholders and especially
to the members of the Hamilton community who it serves. The rules for the use of funds towards capital and maintenance projects are clear, easily understood, and available to the public.

C. **Value for Money** – Mohawk dollars are used prudently and responsibly with the aim of achieving maximum value for the use of public funds.

D. **Fairness** – Expenses incurred during the course of the business of the College are legitimate, authorized and documented.

E. **AODA Compliance** – In accordance with section 5 of the AODA Integrated Accessibility Standards Regulations, Mohawk College is committed to incorporating accessibility features when procuring or acquiring goods, services or facilities, except where it is not practicable to do so. Mohawk College recognizes that it might not always be possible to ensure that goods, services or facilities procured or acquired are accessible, in this regard, Mohawk College will provide an explanation, upon request, in accordance with this regulation.

5. **Accountability and Compliance**

5.1 **Accountability Framework**
This policy has been approved by the Senior Leadership Team.

5.2 **Compliance**
The Chief Financial Officer is authorized to ensure that information within this policy is applied.

6. **Rules**

6.1 **Requesting Capital, Renovation and Maintenance Projects**
Requests for the use of funds to be directed towards capital, renovation and maintenance projects should be submitted through the on-line capital planning tool.

Criteria for capital, renovation and maintenance project requests:

- Expenses should be one-time in nature
- Requests should be in excess of $5,000

All purchases included in the request require detailed and confirmed pricing. All costs associated with the request should be included such as:

- Equipment
- Installation
- Temporary Staffing
- Telephone service
- IT resources
- Furnishings
- Relocation
- Refurbishing
- Network Cabling
- Non-rebatable taxes
- Painting
- Carpets
- Cleaning
- Supplies
- Renovations
In addition to the cost requirements, the requests should include the following details:

- Detailed description of the project
- Identification of specific funding sources as applicable, such as government grants, etc.
- The ongoing financial impact of the project to subsequent years (e.g. future licence costs, maintenance contracts)
- The return on investment (ROI) must be demonstrated such as number of students impacted, revenue generation opportunities, improved process efficiencies or reputational impact.
- Human resources required to successfully complete the project

Capital requests must align with the strategic priorities of the College and should not include the following:

- Program development costs for new and existing academic programs
- Permanent full/part-time staffing

Submissions must be entered by the deadline date established by the CPC.

6.2 Approval of Requests

The Vice/Associate Vice Presidents will review the capital requests submitted for their respective areas and present a priority list to the CPC for review and discussion. The criteria used to evaluate the projects include:

- Alignment to strategic plan, strategic mandate agreement, and/or campus master plan
- Impact on the College (students and employees)
- Return on Investment
- Enterprise risk
- Improvements related to health & safety or accessibility
- Legislative requirements
- Maintaining infrastructure
- Establishment of new programs

The funding sources for capital, renovation and maintenance projects are subject to annual Ministry of Colleges and Universities approved funding allocations and the College’s operating budget availability. As such, CPC will review the financial impact of each priority project and vote on the projects to be presented to the Mohawk College Executive Group (MEG) based on financial availability.

The recommended projects are presented to MEG for their approval based on their alliance with the strategic objectives of the College.

All capital, renovation and maintenance projects valued over $2,500,000 require the approval of the Audit, Finance & Infrastructure Committee of the Board of Governors.
6.3 Oversight of Approved Requests

Once the projects are approved, and the requestors notified, it is the responsibility of the requestor to manage their approved request within the approved budget allocation.

Any potential overspending or cancellation of a project for reassignment to a different project has the following approval mechanisms:

- If a purchase price is greater than 5% over the approved price (including taxes) it should be returned to CPC for review. Any amount up to 5% is to be funded within the manager’s operating budget.

- Changes to project intent that are funded from the operating budget are to be returned to CPC for re-prioritization and approval of project re-assignment.

- Any changes to projects funded by sources other than the operating budget are to be approved by the respective Vice-President and the change communicated to CPC.

Capital project requests not initiated by January 15 of each year will have associated budget funds withdrawn. If the capital project is still viewed to be required, then it will compete for capital funding in the next fiscal year.

7. Policy Revision Date

7.1 Revision Date
November 2024

7.2 Responsibility
The Chief Financial Officer is responsible for reviewing this policy every five years or earlier when required.

8. Attachments
Intentionally left blank.

9. Specific Links
CS-1005-2014 Financial Reporting and Safekeeping of Capital Assets