

LOYALIST COLLEGE
Board of Governors Policy

D2	D. Executive Limitations D2. ENTREPRENUERIAL ACTIVITIES
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NEW: March 2019

Next Review Date: 2023

Background

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, this policy defines the appropriate executive limitations associated with involvement in entrepreneurial activities and subsidiaries.

Purpose

- To outline the types of entrepreneurial and commercial activities that the College may undertake.
- To establish the conditions under which the activities may occur including the necessary reporting requirements and the need for ministerial approval in certain cases.

Definitions

Entrepreneurial activities - intended to generate value through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets. Ancillary and commercial services are considered to be consistent with the education and training mandate of the College. Entrepreneurial activities are not limited to ancillary and commercial services.

Subsidiaries - a corporate body, either partially or wholly owned, incorporated at the direction of the college, or effectively controlled by the college, but not including a corporate student government or a corporate body incorporated at the direction of, or effectively controlled by, a student government. An example of a subsidiary is a foundation.

Policy

The President will ensure that entrepreneurial activities:

1. are supported by a strong business case;
2. will contribute positively (as a whole) to the College's financial position;
3. will directly support the College's strategic direction; and

4. are consistent with the mandate of the College and the Minister's Binding Policy Directive on Entrepreneurial Activities.

In addition, without limiting the scope of the above statement, the President will:

1. At the President's discretion, keep the Executive informed on matters relevant to this policy.
2. 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.
3. Ensure fair market value pricing for goods and services provided to the general public in competition with the private sector.
4. Employ strategies to protect the core business and assets and the reputation of the College.
5. Include entrepreneurial activities in the College's annual Business Plan and Annual Report.
6. Submit to the Board proposals for any of the following activities:
 - a. issuance of debt securities (i.e. notes, bond, debentures, debt instruments of any kind)
 - b. creation of subsidiaries (wholly or partially owned)
 - c. acquisition of an interest in, or outright ownership of an organization or company.

Monitoring

The president will verify in writing on an annual basis 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 contravention of the policy.

Related Materials

Broader Public Sector Accountability Act

Corporations Act

Financial Administration Act

Ministry Binding Policy Directives - Entrepreneurial Activities

OCAAT Act