

STATEMENT of POLICY and PROCEDURE			
Chapter:	Governance	Policy #.	1.3.02
Section:	Finance	Issued:	December 6, 2013
Subject:	Assets	Effective:	January 1, 2020
Issue to:	All Manual Holders	Page:	1 of 4
		Reaffirmed:	March 6, 2019
Issued by	The Saskatchewan Association of Licensed Practical Nurses	Revised:	December 2019

1. POLICY

- 1.1 The Licensed Practical Nurse Act 2000 Section 7 (1) states the Council shall manage and regulate the affairs and business of the association.
- 1.2 The Licensed Practical Nurse Act, 2000 allows for the management of SALPN Assets.
 - (3) The Association may:
 - (a) invest its funds in investments in which trustees are authorized to invest pursuant to The Trustee Act, 2009; and
 - (b) sell or otherwise dispose of those investments and reinvest the proceeds in similar investments.
- 1.3 SALPN Administrative Bylaws provide the following:

Banking and financial

5 (1) The executive director or his or her designate is authorized to approve financial commitments and authorize payments of amounts less than \$10,000.00

(2) Notwithstanding subsection (1), the executive director may authorize movement of SALPN funds from one SALPN account to another and may invest the whole or any portion of the SALPN funds in investments in SALPN's name.

(3) At each regularly scheduled meeting of the council, the executive director shall provide the most current balance sheet and statement of revenue and expenditure.

2. PROCEDURE

- 2.1 The Executive Director shall not allow organizational assets to be unprotected, inadequately maintained or unnecessarily risked.
- 2.2 Accordingly, the Executive Director shall not:
 - a. Fail to maintain adequate insurance against theft, fire, and casualty losses, and against liability losses to Councillors, staff and individuals engaged in activities on behalf of the SALPN or the SALPN itself. Adequate insurance is deemed to be an amount comparable to that held by similar organizations.
 - b. Unnecessarily expose the SALPN or its Councillors, and staff to claims of liability.

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- c. Allow or cause personnel access to substantive amounts of funds or other material assets.
- d. Allow or cause equipment to be subjected to improper wear and tear or insufficient or inadequate maintenance.
- e. Receive, process, or disburse funds outside internal controls to which there is no merit with the Council-appointed auditor's standards.
- f. Make purchases without due consideration to cost, after-purchase service, value for the dollar, and opportunity for fair competition. The Executive Director shall not:
 - o Make any purchase wherein normally prudent protection has not been given against conflict of interest;
 - o Make any unbudgeted capital expenditure of greater than \$10,000
- g. Fail to protect intellectual property, information and files (electronic and paper) from loss or significant damage.
- h. Invest and hold operating capital in insecure instruments, including uninsured chequing accounts, or in non-interest bearing accounts excepts where necessary to facilitate ease in operational transactions:
 - o Fail to diversify the investment portfolio to minimize risk and optimize liquidity and return;
 - o Fail to design the investment strategy so as to assure the necessary cash flow.
- i. Receive, process, or disburse funds in a manner inconsistent with the Council appointed auditor's standards.
- j. Fail to implement recommendations in the auditors' management letter, or provide acceptable rationale to the Council as to why they should not be implemented.
- k. Acquire, encumber (mortgage), or dispose of real property (real estate) without Council knowledge and or approval via Council motion.
- l. Make any unbudgeted purchase or commitment greater than 2 years.
- m. Fail to protect against unforeseen loss of income or unanticipated expense by maintaining designated reserve funds as follows:

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Issue to:	All Manual Holders	Page:	3 of 4
		Reaffirmed:	March 6, 2019
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- A contingency for unforeseen expenses establish over time to a maximum equivalent to five months operating costs;
 - A catastrophic fund of \$500 000 for litigation against the SALPN.
- n. Fail to protect the value of the reserve funds
- Use the designated reserve funds for purposes other than costs associated with activities falling within these fund categories as anticipated and so designated by Council when the funds are/were created;
 - Fail to advise Council of all expenditures from designated reserve funds.

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		Reaffirmed:	March 6, 2019
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