

 CAPILANO UNIVERSITY		POLICY	
Policy No.	Officer Responsible		
B.209	Vice-President, Finance and Administration		
Policy Name			
Banking and Borrowing (Capilano University)			
Approved by	Replaces	Category	Next Review
Board	E.204; ARM-5000		November 2027
Date Issued	Date Revised	Related Policies, Reference	
November 20, 2018	November 29, 2022	<i>Bank Act, SC 1991, c 46</i> <i>Credit Union Incorporation Act, RSBC 1996, c 82</i> <i>University Act, RSBC 1996, c 468</i> B.201 Investment Policy B.215 Spending and Signing Authority Policy	

1 PURPOSE

- 1.1 This policy establishes the framework for the administration and control of banking and borrowing arrangements for Capilano University (the "University").
- 1.2 This policy applies to all banking and borrowing arrangements and related activities made or performed by the University.

2 DEFINITIONS

"Bank Signing Officer" incumbents of organizational positions appointed in accordance with this policy who are delegated authority to approve banking and borrowing arrangements and transactions relating to the University's bank accounts.

"Employee" A person employed by the University.

3 SCOPE

- 3.1 This policy applies to Board members, employees and other people authorized to do business on behalf of the University.

4 POLICY STATEMENTS

Banking Service Providers

- 4.1 The University's banking service providers must be

- a) Recognized financial institutions listed in Schedule I or Schedule II of the *Bank Act*, or credit unions incorporated pursuant to the *Credit Union Incorporation Act*,
 - b) Selected using a competitive process that is based on the optimization of banking and borrowing services and deposit interest earnings at reasonable cost, and
 - c) Recommended by the Finance Committee and approved by the Board.
- 4.2 Agreements with banking service providers must be reviewed by the Finance Committee at intervals that do not exceed five years to ensure that the University continues to receive optimal services and deposit interest earnings at reasonable cost.

Bank Accounts

- 4.3 The number of University bank accounts will be kept to a minimum consistent with the need for effective and efficient operation and control.
- 4.4 University bank accounts must be in the name of Capilano University.
- 4.5 The opening or closing of a University bank account requires joint approval of the Vice-President, Finance and Administration and the Director, Financial Services.

Bank Signing Officers

- 4.6 Bank Signing Officers will be limited to incumbents in the following organizational positions
 - a) President,
 - b) Vice-President, Finance and Administration,
 - c) Vice-President, Academic and Provost, and
 - d) Director, Financial Services.
- 4.7 Two Bank Signing Officers are required to
 - a) Approve and sign agreements, documents and instructions with or in favour of the University's banking service provider, and
 - b) Sign all cheques and cash withdrawals.

Internal Controls

- 4.8 The Vice-President, Finance and Administration is responsible for ensuring that internal controls are sufficient to reasonably ensure the accuracy, validity and approval of all payments made from the University's bank accounts.
- 4.9 As a component of internal control, the Vice-President, Finance and Administration will ensure that prior to releasing system-generated cheques, electronic fund transfers or other internet-based payments, two staff members from the Finance department will
 - a) Review all payments for reasonableness and legitimacy, and

- b) Ensure that underlying financial transactions have been approved by organizational positions that have been delegated appropriate authority for such financial transactions in accordance with B.215 Spending and Signing Authority Policy.
- 4.10 Subject to the existence of sound internal controls as described in section 4.9, facsimile signatures of Bank Signing Officers may be used for system-generated cheques.
- 4.11 All receipts must be promptly deposited in a bank account in the name of Capilano University that has been approved in accordance with this policy except for funds held for investment purposes in accordance with *B.201 Investment Policy* and funds held as petty cash.
- 4.12 All University bank accounts must be promptly reconciled each month by a staff member in the Finance department that has no responsibility for
 - a) Processing cash receipts,
 - b) Approving and/or processing payments, and
 - c) To the extent that is practical, related accounting functions impacting the general ledger.
- 4.13 Bank reconciliations must be reviewed and approved on a timely basis by the Director, Financial Services or the Manager, Financial Services.
- 4.14 The Vice-President, Finance and Administration or Director, Financial Services will regularly monitor all University bank account balances and cash flow forecasts to ensure that the University has sufficient operating funds to meet its payment obligations.

Borrowing

- 4.15 As per section 31 of the University Act, the Board may, by resolution, borrow money required to meet the expenditures of the University until the revenues of the current year are available. Money borrowed under such circumstances must be repaid out of current revenues and may be secured by promissory notes of the University.
- 4.16 As per section 58 of the University Act, with the approval of the Minister responsible for advanced education and the Minister of Finance, the University may borrow money for the purpose of
 - a) Purchasing or otherwise acquiring land for the use of the University, or
 - b) Erecting, repairing, adding to, furnishing or equipping any building or other structure for the use of the University.
- 4.17 The Board is authorized to
 - a) Enter into any agreement that it considers necessary or advisable for carrying out the purposes of section 4.15, and
 - b) Execute in the name of the University all agreements, deeds and other instruments considered necessary or advisable to carry into effect the provisions of any agreement specified in section 4.17 a).

5 DESIGNATED OFFICER

- 5.1 The Vice-President, Finance and Administration is responsible for implementing, administering and ensuring compliance with this policy and any related procedures.