POLICY NUMBER: POL-96

Chapter:
BOARD OF DIRECTORS

Subject:
EXECUTIVE LIMITATIONS, ASSET PROTECTION

Effective Date:
January 23, 2003

Last Update:
April 4, 2024

PURPOSE:

The purpose of this policy is to set out the Chief Executive Officer's (CEO) responsibilities and limitations with respect to the protection, maintenance and risk management of Workers Compensation Board (WCB) assets.

REFERENCE:

Workers Compensation Act, R.S.P.E.I. 1988, Cap. W-7.1, Section 30
Occupational Health and Safety Act, R.S.P.E.I. 1988, Cap. O-1.01, Section 4
Procurement of Goods Act, R.S.P.E.I. 1988, Cap. P-22.1 and Regulations, PEI Reg EC648/20
Workers Compensation Board Policy, POL-36, Investment of Board Funds
Workers Compensation Board Policy, POL-136, Funding Policy
Workers Compensation Board Policy, POL-40, Board-Chief Executive Officer Relationship, Delegation to the Chief Executive Officer

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DEFINITION:

POLICY:

1. The CEO will not allow assets to be unprotected, inadequately maintained, nor unnecessarily risked.

Accordingly, they will not:

A. Fail to insure against theft and casualty losses of property and equipment to an amount determined appropriate by the organization.

B. Fail to insure against liability losses to the organization, Board of Directors, or staff in an amount determined appropriate by the organization after consultation between the organization and the insurance provider.

C. Engage staff hired on or after January 1, 2005, in positions designated as requiring access to material amounts of funds, without a security risk review.

D. Subject property and equipment to improper wear and tear or insufficient maintenance.

E. Unnecessarily expose the organization, Board of Directors, or staff to claims of liability.

F. Enter into service agreements:

(a) Without a memorandum of understanding outlining service requirements, performance expectations, and cost of service.
(b) For a period longer than three (3) years without a stringent method of review assuring the balance of required expertise, long term cost, and service quality.

G. Make any purchase of goods:

(a) Wherein normally prudent protection has not been given against conflict of interest.
(b) In a manner that is inconsistent with the provisions and thresholds set out for Schedule B entities under the *Procurement of Goods Act* and Regulations.

H. Fail to take reasonable measures for cyber security, information privacy, and data and intellectual property protection.

I. Receive, process, or disburse funds, or allow access to material amounts of funds, without internal controls determined appropriate by the organization.

J. Endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of Ends.

Monitoring

2. This policy will be monitored by the Board of Directors annually and reviewed in accordance with the annual monitoring schedule as set out in WCB policy, POL-112, Board - CEO Relationship, Monitoring CEO Performance.

HISTORY:

April 4, 2024 – Changes made to reference legislation around procurement of goods.

November 29, 2019 – Amended to clarify the insurance coverage for theft and casualty losses of property and equipment.

October 24, 2013 – Amended to clarify section 1(a).

November 1, 2012 – Editorial changes made to the policy as a result of a review by the Board of Directors.

November 23, 2006 - Amended to clarify the policy with respect to service agreements.

March 13, 2006 - Editorial changes made to the policy as a result of a review by the Board of Directors.

November 24, 2004 - Updated to remove the requirement for bonding of staff and to add requirements with respect to internal controls associated with staff who have access to material amounts of funds.

Board of Directors Approval Date: January 23, 2003