

## CAPITAL EXPENDITURES POLICY

<b>Policy Name</b> Capital Expenditures	<b>Responsible Owner</b> VP Finance and Corporate Services	<b>Created</b> 1981 October
<b>Policy Number</b> F-1.03	<b>Approval Body</b> NLC Policy Committee	<b>Last Reviewed/Revised</b> 2025 October
<b>Category</b> Administration	<b>Replaces</b> N/A	<b>Next Review</b> 2030 October

### TABLE OF CONTENTS

- PURPOSE
- SCOPE
- DEFINITIONS
- POLICY STATEMENTS
- SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES
- RELATED ACTS AND REGULATIONS
- RELATED COLLECTIVE AGREEMENTS

### PURPOSE

To ensure strategic, and fiscally responsible capital investment across Northern Lights College, enabling safe, high-quality learning environments and operational infrastructure that support current and future academic priorities, student success, and institutional growth.

### SCOPE

NLC Capital Expenditures

### DEFINITIONS

**Capital Expenditures:** an acquisition of a single item which has a unit value of \$3,000 or more, is separately identifiable, and has a life expectancy in excess of 1 year; or a renovation or alteration to a building or other facility, including grounds, which substantially increases the value of the asset. Repairs or other expenditures to maintain the value are not considered to be capital expenditures.

### POLICY STATEMENTS

Northern Lights College plans and approves capital equipment acquisitions and capital construction projects annually as part of the budget process. All capital expenditures are guided by established definitions, funding sources, planning criteria, and timelines to ensure alignment with institutional

strategic priorities and compliance with Ministry requirements. The College allocates capital funding based on need, impact, and long-term value, and all capital purchases must adhere to standard purchasing procedures and financial controls.

Planning is an ongoing process and strategic priorities will form the basis for identifying annual capital projects and acquisitions.

Criteria for assessment includes but is not limited to:

- Safety
- Accreditation requirements
- Preventative (items that could prevent future spending of maintenance money by a current investment)
- Student access and usage
- New programming/services
- Existing programs/services

Each Dean/Administrator/Manager/Director who is allocated approved capital budget has authority to purchase specific capital and must ensure the following guidelines are adhered to:

- Total allocation, by project or item, must not be overspent
- Capital funds cannot be used for general operations, and vice-versa
- Surplus funds remaining in any capital item are returned to the capital fund for future reallocation

The College will maintain a centralized asset ledger to track capital assets. This ledger helps support insurance coverage and claims, validate asset existence for external audit purposes, and facilitates the efficient redistribution of assets across campuses.

The Vice President of Finance and Corporate Services is responsible for overseeing annual asset control and ensuring that inventories remain current. A central asset record is maintained in Colleague at the Regional Finance Office, with the Finance Manager responsible for recording all additions and disposals.

Departments are encouraged to share resources and collaborate across campuses to maximize the use and value of assets institution wide.

#### **SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES**

- Purchasing Policy F-2.06
- Disposition of Goods F-2.03
- Capital Asset Request Form

#### **RELATED ACTS AND REGULATIONS**

- N/A

#### **RELATED COLLECTIVE AGREEMENTS**

- N/A