

**Cochise College  
District Board Policy**

**Category: Executive Limitations  
Policy Number: 406  
Title: Asset Protection**

The President may not allow assets to be unprotected, inadequately maintained nor unnecessarily risked.

Accordingly, the President may not:

1. Allow an inadequate system of internal controls to exist that would neglect establishment and monitoring of basic internal controls, both accounting and administrative that is insufficient to meet generally accepted accounting principles and auditing standards.
2. Allow unethical business practices or noncompliance with relevant laws, regulations, and Board policies.
3. Allow procurement of goods and services without establishing procedures related to:
  - a. Monetary thresholds that balance competition and efficiency of process.
  - b. Conflict of interest.
  - c. Official functions.
4. Allow disposal of District furniture, equipment and other personal property without first establishing procedures.
5. Acquire, encumber or dispose of real property.
6. Allow the district to become at risk by:
  - a. Unnecessarily exposing the District, its Board or staff to claims of liability.
  - b. Failure to insure against theft and casualty losses.

- c. Failure to insure against liability losses to Board members, staff and the District.
  - d. Failure to provide adequate preventative and major maintenance of physical plant, facilities, and equipment.
7. Permit investment of moneys received by the District in any investment instruments or securities not permitted by applicable statutes or legal documents or other established guidelines or in a manner that jeopardizes the safety of invested principal.