



# BISHOP'S UNIVERSITY

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## SIGNING AUTHORITY POLICY

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**Effective Date:** October 4, 2021      **Prepared by:** Financial Services  
**Policy Number:** VPFA-01-2021      **Approved by:** Executive Committee  
Finance & Audit Committee  
Board of Governors  
**Last update: October 1, 2021**

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### 1. RESPONSIBILITY

The Board of Governors of Bishop's University ("the University") is responsible for the overall management of the affairs of the University. It has the general and overriding authority to enter into all contracts binding the University. It retains such power, notwithstanding the delegation of authority conferred upon specified delegates in this Signing Authority Policy ("Policy") or in any resolution passed by the Board of Governors from time to time.

No individual may sign any contract that creates an obligation or undertaking on behalf of the University unless that individual has signing authority in accordance and compliance with this Policy or with a resolution passed by the Board. This Policy outlines the delegation of signing authority to officers and employees of the University. Notwithstanding specific Board resolutions delegating authority for specific mandates, this Policy replaces all previously issued policies and overrides historical practices.

The University expects all those who may be involved in the contracting process on behalf of the University to be aware of and to comply with related University policies, control procedures and systems, and to act ethically and diligently in carrying out their fiduciary responsibilities to the University.

The Vice-Principal Finance and Administration is to investigate and take the appropriate action to ensure accountability for the sound stewardship of funds and resources of the University if there are circumstances suggesting non-compliance, irregularity or impropriety relating to the matters addressed in this Policy.

### 2. SCOPE

The University enters into written and verbal contracts with individuals, corporations, agencies or other similar organizations. Contracts relate to all aspects of the University administration and academic and research operations. This Policy must be read together with the "Policy Respecting the Awarding and Management of Contracts" (VPFA-01-2015) which provides guidelines and information regarding the purchase of goods, services and the awarding of construction contracts.

This Policy identifies the positions that have signing authority for contracting, sets the authorized amount and provides approval requirements. It also outlines conditions under which signing authority may be delegated.

### 3. DEFINITIONS

- **“The University”** means Bishop’s University, its Board of Governors, the Principal and Vice-Chancellor, and the Officers.
- **“Contract”** means any written or verbal agreement, contract, letter of intent, memorandum of understanding or memorandum of agreement, the provisions of which are binding upon the University.
- **“Value”**, except as otherwise provided, the value of a contract refers to the total estimated financial commitment of the contract over its term including all associated costs such as non-rebate taxes, shipping, installation, maintenance service costs, training costs, services charges and other associated fees for the duration of the contract. Any optional clause to renew the term of the contract must be considered in the value of the contract for its duration. Contracts cannot be segmented, split or amended for the purpose of avoiding the obligation to follow this Policy.
- **“Signing Officer”** is the individual to whom authority has been delegated to sign a contract on behalf of the University and who occupies one of the following positions: Principal & Vice-Chancellor, any Vice-Principal and the Secretary General.
- **“Head of Unit”** means an individual, reporting to the Principal and Vice-Chancellor, a Vice-Principal, the Secretary General, an Associate Vice-Principal, a Dean or a Director, who is in charge of an Academic or Administrative Unit or a Department.

### 4. Responsibilities of the Signing Officers and Heads of Units.

In all cases, before signing a contract, Signing Officers and Heads of Units must be satisfied as to the following and must be prepared to take responsibility:

- That the University is able to meet its obligations within the terms of the contract and/or that the other party is reasonably likely to meet their obligations;
- That the contract complies with legislation, collective agreements, and University policies and procedures;
- That the University has sought and obtained the necessary government approvals, when required;
- That the appropriate level of approval required by any applicable policy or practice has been obtained; and
- That the financial and other benefits to, or the liabilities of, the University as a result of the contract have been considered with the long-term financial projections of the University and are reasonable.

A Signing Officer shall, prior to his or her signature, diligently bring to the attention of his or her immediate supervisor, or in the case of the Principal or Vice-Principals to the Board of Governors, contracts of particular importance regardless of value, including contracts that present an unusual or high risk, contracts that could bring the University under public scrutiny, contracts that could affect the reputation of the University, and contracts involving controversial matters.

Designated individuals shall not exercise their signing authority in circumstances where conflicts of interest exist or could be seen to exist. Individuals shall not authorize disbursements for which they are the recipient.

## **5. SIGNING AUTHORITY**

### **5.1 Items to be pre-approved by the Board of Governors:**

- Any contract or obligation that, in the opinion of any Signing Officer should be approved by the Board of Governors, regardless of value;
- Any real estate transaction;
- Any lease contract or agreement for a term that exceeds five (5) years;
- Any contract or agreement obligating the University and involving an aggregate amount exceeding \$500,000;
- Any contract or agreement that the Board of Governors, by resolution, requests be brought to the Board of Governors for approval;
- Any contract or agreement to borrow money;

### **5.2 Mandatory Legal Review of Contracts**

Review of a contract, prior to its signing, by the General Counsel is mandatory except in the following instances:

- Construction contracts having a total value not exceeding \$50,000 when the approved construction contract template is used;
- Contracts for the purchase of goods or services having a total value not exceeding \$25,000 when the approved goods or services contract template is used;
- Contracts for disposal of goods having a total value not exceeding \$50,000 when the approved disposal of goods contract template is used;
- Ancillary and commercial revenue contracts of a total value not exceeding \$50,000 when the approved ancillary or commercial contract template is used;
- Research Grant contracts having a total value not exceeding \$50,000.

Notwithstanding these provisions, contracts of any value that include unusual legal provisions or risk must be reviewed by the General Counsel prior to signing.

### **5.3 Contracts requiring pre-approval by the Vice-Principal Finance and Administration:**

Review by the Vice-Principal Finance and Administration is mandatory prior to the issuance of a purchase order or contract, except in the following instances:

- Construction and renovation contracts with related professional services contracts having a total value less than \$50,000;
- Purchasing contracts of goods or services having a total value less than \$25,000;
- Disposal of goods having a total value less than \$50,000;
- Ancillary and commercial revenue contracts having a total value less than \$100,000;
- Research contracts having a total value less than \$300,000.

### **5.4 Items requiring review by the Procurement department**

All purchases with a value exceeding \$25,000 must be made by the Procurement department.

Information on procurement can be found on MyBU:

<https://mybu.ubishops.ca/procurement/Pages/default.aspx>

## **6. Delegation of Authority**

Signing Officers or Heads of Units identified in this Policy may delegate their signing authority to individuals they deem appropriate by using the Signing Authority – Delegation form (Appendix A). The person having the signing authority must send the completed form to the Manager of the Financial Services to advise of the delegation.

Delegation of signing authority may be for a specified length of time (start and end date are indicated) or may be indeterminate (no end date is entered on the form). Where the delegation of signing authority is indeterminate, the signing authority automatically terminates when either the authorized signatory or the delegated signatory change position or cease to be employed by the University. The Signing Officers or Heads of Units need to indicate the amount delegated up to their signing authority.

## **7. Approval requirements and Authorized Signatories**

The Appendix B outlines the contract approval requirements and identifies authorized signatories. Authorized signatories are permitted to enter into contracts on behalf of the University, in accordance with established budgetary limits and this Policy.

Signing Officers have the authority to sign any and all contracts on behalf of the University in lieu of individuals identified as designated signatories in the Appendix B, subject to contract review by the Procurement department or the General Counsel when applicable.

Contracts for which no signing authority is provided in this Policy must be submitted to the Board of Governors for approval.

## **8. General Contract Management**

Every signatory who has signed a contract must keep an original of such contract, including all appendices and other supporting contracts, in that person's office or a place under that person's control, in paper format or in a digital format on the University's secure network. Copies of all contracts approved by the Board of Governors, by a committee of the Board, or of a value greater than \$25,000 shall be sent to the Office of the General Counsel, in paper or digital format.



## SIGNING AUTHORITY - DELEGATION FORM

Please complete all sections

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1- Signing Officer or Unit Head:

Name

Department name and code

2- Designated Signatory(1):

Name

3- Delegation period (2)

Start date:

(dd/mmm/yyyy)

End date

(dd/mmm/yyyy)

Delegated amount (3)

Date submitted:

(dd/mmm/yyyy)

Signing Officer or Unit Head:

Signature

(1) The Designated Signatory is required to comply with the Signing Authority Policy.

(2) Delegation of signing authority may be for a specified length of time (start and end date are required) or may be indeterminate (no end date is entered on the form).

(3) The Signing Officer or Head of Unit needs to indicate the maximum delegated amount.

\* COMPLETED FORMS ARE TO BE SENT TO THE MANAGER OF FINANCIAL SERVICES \*

**APPENDIX B: APPROVAL REQUIREMENTS AND AUTHORIZED SIGNATORIES**

DESCRIPTION	VALUE OR OTHER RESTRICTION	APPROVAL REQUIREMENTS		
		Type of document	Review requirements	Authorized Signatory
<b>PURCHASE OF GOODS OR SERVICES AND CONSTRUCTION CONTRACTS</b> Subject to <b>Policy Respecting the Awarding and Management of Contracts VPFA-01-2015</b>				
	Under \$25,000	Purchase order / contract	Head of Unit	Head of Unit
	Over \$25,000 (Over \$50,000 for construction and renovation contracts including related professional services contracts) Under \$500,000	Purchase order / contract	Pre-approval by the Vice-Principal Finance & Administration No legal review when the approved contract template is used	Head of Unit and Vice-Principal Finance & Administration
	Any amount	Contract with a law firm	Pre-approval by the Vice-Principal Finance & Administration and subject to legal review	Secretary General
	Over \$500,000 except for self-funded project with a value of \$5,000,000	Purchase order / contract	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution
	Self-funded project with a value of \$5,000,000	Purchase order / contract	Board of Governors Subject to legal review Subject to review and approval by the Ministère de l'Enseignement supérieur	Two Signing Officers Or as required by Board of Governors resolution
<b>DISPOSAL OF GOODS</b> Subject to the <b>Procedure for the Disposal of Goods VPFA - P01 - 2016</b>				
	Under \$50,000	Contract	Manager of Financial Services, and Head of Unit No legal review when the approved contract template is used	Manager of Financial Services, and Head of Unit
	Over \$50,000 under \$500,000	Contract	Vice-Principal Finance & Administration Subject to legal review	Vice-Principal Finance & Administration
	Over \$500,000	Contract	Vice-Principal Finance & Administration Subject to legal review	Vice-Principal Finance & Administration, and One Signing Officer
<b>LEASE OF SPACE</b>				
	5 years or less	Purchase order / contract	Vice-Principal Finance & Administration Subject to legal review	Vice-Principal Finance & Administration
	More than 5 years	Purchase order / contract	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution
	\$1,000,000 and more	Purchase order / contract	Board of Governors Subject to legal review Subject to review and approval by the <i>Ministère de l'Enseignement supérieur</i>	Two Signing Officers Or as required by Board of Governors resolution
<b>REAL ESTATE</b>				
<b>Acquisition</b>	All values	Contract	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution
<b>Disposal</b>	All values	Contract	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution

DESCRIPTION	VALUE OR OTHER RESTRICTION	APPROVAL REQUIREMENTS		
		Type of document	Review requirements	Authorized Signatory
<b>BANKING, INVESTMENTS AND BORROWING</b>				
	All values	All documents	Board of Governors Subject to legal review	Vice-Principal Finance & Administration, and Two Signing Officers Or as required by Board of Governors resolution
<b>ANCILLARY AND COMMERCIAL REVENUE</b>	Revenue generating contracts are subject to this policy. All contracts involving expenditures are subject to the <b>Policy Respecting the Awarding and Management of Contracts VPFA-01-2015</b>			
On campus Residence leases	All values	Leases		Director of Ancillary Services
Off campus Residence leases	All values	Leases		Director of Ancillary Services
Conference contracts (including Centennial)	Under \$100,000	Contract	No legal review when using the approved ancillary and commercial revenue contract template	Head of Unit
	Equal to or greater than \$100,000 Under \$500,000	Contract	Vice-Principal Finance & Administration Subject to legal review	Head of Unit, and Vice-Principal Finance & Administration
	Equal to or greater than \$500,000	Contract	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution
<b>STUDENT ASSOCIATION CONTRACTS</b>				
	All values			Dean of Student Affairs, and Vice-Principal Finance & Administration
<b>GRANT AND FUNDING CONTRACTS</b>	Grant and funding contracts may be entered into and signed in the name of the University unless specified differently by the grant agency. All contracts involving expenditures are subject to the <b>Policy Respecting the Awarding and Management of Contracts VPFA-01-2015</b>			
	Under \$50,000	All documents		Director of Research or Head of Unit
	Equal to or greater than \$50,000	All documents	Subject to legal review for contracts over \$50,000	Director of Research or Head of Unit
	Under \$300,000			Vice-Principal Academic & Research or Vice-Principal Finance & Administration
	Equal to or greater than \$300,000 Under \$1,000,000	All documents	Pre-approval by the Director of Research Subject to legal review	Vice-Principal Academic & Research or Vice-Principal Finance & Administration
	\$1,000,000 and more	All documents	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution
<b>SETTLEMENTS</b> Settlement agreement means any document that settles a legal claim against the University.				
	Under \$500,000	All documents	General Counsel Vice-Principal Finance & Administration	General Counsel, and Vice-Principal Finance & Administration
	\$500,000 and more	All documents	Board of Governors Subject to legal review	Two Signing Officers Or as required by Board of Governors resolution
<b>INSURANCE POLICIES</b>	Subject to the <b>Policy Respecting the Awarding and Management of Contracts VPFA-01-2015</b>			
	All values	Contract / Invoice		General Counsel
<b>DONATIONS, CHARITABLE ANNUITIES AND GIFT AGREEMENTS (BISHOP'S UNIVERSITY)</b>				
Donation receipts	All values	Receipt		Vice-Principal Finance & Administration
Charitable annuity contracts	All values	Contract		Associate Vice-Principal, Advancement Vice-Principal Finance & Administration
Gift agreements	All values	Agreement		Associate Vice-Principal, Advancement

DESCRIPTION	VALUE OR OTHER RESTRICTION	APPROVAL REQUIREMENTS		
		Type of document	Review requirements	Authorized Signatory
<b>APPROVAL OF DISBURSMENTS</b>				
Cheques	Under \$10,000			Mechanically signed by the Account Payable technician, mailed once the cheque register is signed by two Signing Officers
	\$10,000 and more			Signed manually by two Signing Officers
Electronic payments	Under \$10,000			Manager of the Financial Services or Vice-Principal Finance & Administration
	\$10,000 and more			Manager of the Financial Services and one Signing Officer