Policy 6.6 University Signing Authority Policy

Approving Authority: Board of Governors
Responsible Office: University Secretariat, Office of Legal Counsel
Responsible Officer: University Secretary
Original Approval Date: June 6, 2013
Date of Most Recent Review: June 21, 2019
Previous Reviews: October 20, 2017

1. Preamble

This Policy is made in accordance with:

1.1. Section 11 of the University of Guelph Act, 1964 which provides that the “government conduct, management and control of the university and of its property, revenues, expenditures, business and affairs” are vested in the Board of Governors which has “all powers necessary or convenient to perform its duties” including the power to “make by-laws and regulations for the conduct of its affairs.”

1.2. Section 12.1 of Board of Governors Bylaw No. 1 which states that “contracts, documents or instruments in writing requiring execution by the University shall be signed by any two (2) officers of the University.”

1.3. Section 12.2 of Board of Governors Bylaw No. 1 which states that “The Board may from time to time appoint any officer or officers of the University or any person or persons on behalf of the University to sign contracts, documents or instruments in writing generally, or to sign specific classes of contracts, documents or instruments in writing, or to affix the University's corporate seal, or any combination of the preceding.”

2. Purpose

2.1. This Policy concerns University contracting and delegation of authority to contract on behalf of the University. It reflects the commitment of the University to the proper management of and accountability for the resources of the University. Compliance with the Policy will assist in safeguarding University resources through the application of consistent management practices and controls in the contracting process.

3. Scope

3.1. This Policy applies to all contractual arrangements to which the University is a party, including, without limitation, contracts involving the University’s administrative units, academic departments, its unincorporated entities and institutes.
3.2. This Policy designates the position within the University structure which carry the authority to sign contracts on behalf of the University. To ensure accountability and proper management of resources, it specifies the responsibilities of those who are authorized to sign contracts on behalf of the University. Those with responsibility for signing contracts are expected to ensure that contracts are for duly authorized products, services or undertakings and comply with the policies and practices as established by the Senate and the Board of Governors.

4. Definitions

4.1. “Contract” means any contract, document or instrument in writing and includes, but is not limited to, any agreement, contract, subcontract, letter of intent, memorandum of understanding, memorandum of agreement, lease, deed, transfer, instrument, assignment, obligation, certificate or other document, the provisions of which may be binding upon the University.

4.2. “Officer of the University” has the meaning given under Board of Governors Bylaw No. 1: General Bylaw, as it may be amended from time to time.

4.3. “President” means the President & Vice-Chancellor of the University of Guelph.

4.4. “Vice-President” means any Vice-President of the University of Guelph appointed by the Board of Governors.

5. Policy

5.1. Delegation of Signing Authority

5.1.1. The Board establishes a Signing Authority Register through which limited signing authority is delegated to those persons holding the positions listed in the Signing Authority Register for the circumstances specifically identified.

5.1.2. Amendments to the Signing Authority Register may be made as follows:

5.1.2.1. For signing authority over $500,000 and up to $2,000,000, approval must be given by the Board of Governors.

5.1.2.2. For signing authority over $50,000 and up to $500,000, approval must be given in writing by any two of the President and Vice-Presidents, one of whom must have operational responsibility for the proposed signatory.

5.1.2.3. For signing authority of $50,000 or less, approval must be given in writing by the President or Vice-President with operational responsibility for the proposed signatory.
5.1.2.4. The University Secretary may make editorial amendments to the Signing Authority Register to reflect changes in the titles of positions or other terms provided that:

5.1.2.4.1. The change is non-substantive and reflects a change in nomenclature rather than a change in the underlying role or function of a position or term; and

5.1.2.4.2. The University Secretary authorizes the change in writing.

5.1.3. All delegated authorities and editorial changes made under this Policy are subject to review by the Board of Governors. Amendments to the Signing Authority Register shall be reported to the Board of Governors on an annual basis.

5.1.4. The Board confirms the obligation under its Bylaw No. 1 that Contracts be signed by two signatories unless specifically noted in the Signing Authority Register.

5.1.5. If any signing authority is absent from the University, the individual assuming the role in an acting or interim capacity also assumes the signing authority for the duration of the absence, except that no individual may assume the signing authority of an Officer of the University unless duly appointed by the Board of Governors.

5.2. Contract Management

5.2.1. Negotiating Agreements

5.2.1.1. Employees who undertake agreement negotiations on behalf of the University have the responsibility to:

5.2.1.1.1. Be aware of relevant University policies and any required authorizations or approvals before negotiations commence including but not limited to the relevant conflict of interest policies;

5.2.1.1.2. Ensure the negotiating process includes appropriate consultation regarding the University’s internal requirements including other units which may be significantly impacted, applicable legislative and regulatory requirements and required insurance coverage;

5.2.1.1.3. Determine whether there are financial issues that should be reviewed by Financial Services (i.e.,
method of payment, tax consequences, method of acquisition);

5.2.1.4. Carry out due diligence regarding the other contractual party (i.e., verify the legal entity, financial viability);

5.2.1.5. Determine whether legal support or advice is required and obtain such support as early as possible in the negotiation process; if in doubt, contact the University’s Legal Counsel;

5.2.1.6. Ensure agreements are entered into in the name of the “University of Guelph”. The name of a College, regional campus or an academic unit may be added to agreements in certain cases, but the contracting party must be identified as the “University of Guelph”;

5.2.1.7. Negotiate in the best interest of the University;

5.2.1.8. Advise the other contracting party that the agreement is not considered final or binding until it has been signed in accordance with University policies.

5.2.2. Signing Agreements

5.2.2.1. Everyone authorized to sign agreements on behalf of the University must be satisfied that the terms set out under “Negotiating Agreements” have been considered and that all appropriate reviews and approvals have been obtained.

5.2.2.2. Those with signing authority shall diligently bring to the attention of the administrator at the next highest level, those agreements within their jurisdiction that are considered of sufficient importance regardless of value, prior to their signature, namely agreements with an unusually high risk factor, agreements that might bring the activities of the University under public scrutiny or agreements which might involve any controversial matter. In these circumstances, consultation with the VP (Finance, Administration & Risk), Provost & VP (Academic) or University Legal Counsel may be appropriate.

5.2.3. Agreement Retention

Signing officers will keep the original agreement or, when it is not available, an accurate and complete copy thereof, as well as the necessary supporting documents, in that person’s office or a place under that person’s control.
5.3. Contracts Requiring Authorization of the Board of Governors

5.3.1. Authorization from the Board of Governors (or such delegated committee) is required for the University to enter into contracts of the nature described below:

5.3.1.1. Contracts for the purchase, sale or mortgage of land;

5.3.1.2. Licenses to use, leases and commitments of real property or facilities of the University for a term exceeding 5 years;

5.3.1.3. Contracts having an anticipated cost to the University of $2,000,000 or more with the exception of:

5.3.1.3.1. non-speculative futures contracts to acquire natural gas for utility services,

5.3.1.3.2. non-speculative hedging foreign currency and interest rate transactions and

5.3.1.3.3. acquisitions within normal operating expenditures and approved budget provisions;

5.3.1.4. Collective bargaining agreements except grievance settlements, Letters of Understanding and all such other agreements pertaining to collective bargaining agreements entered into with union agents which, in the opinion of the Associate Vice-President Human Resources or Assistant Vice-President (Faculty & Academic Staff Relations), do not materially alter collective bargaining agreements;

5.3.1.5. Bonds, debentures and securities issued by the University or agreements involving the borrowing of money or the guaranteeing of obligations which exceed approved policy limits;

5.3.1.6. Contracts under the Board’s authority which have the potential to significantly impair the financial status of the University, contracts with the potential of material risk or onerous consequences, whether legal, financial, reputational or otherwise or contracts that are precedent-setting or involve sensitive issues.

5.3.1.7. Contracts reserved for the consideration of the Board of Governors under Board policy or as determined by the Board of Governors or the University President.
6. Review
This Policy shall be reviewed by June 30, 2022, and then according to the normal review schedule. This policy shall also be reviewed whenever substantive changes are made to the bylaws of the Board of Governors pertaining to officers of the University or the execution of documents.

7. Relevant Legislation
7.1. The University of Guelph Act, 1964

8. Related Policies, Procedures & Documents
8.1. Signing Authority Register
8.2. Board of Governors Bylaw No. 1
8.3. Good Governance Policy for the Board of Governors
8.4. 317 Conflict of Interest Policy (Human Resources)
8.5. UGFA Collective Agreement (As it relates to conflict of interest provisions for faculty)