A. Background and Definitions

This practice supplements and clarifies the Board’s By-Law #1 with respect to section 12, subsection 12.2.1 “Execution of Documents”. Subsection 12.2.1 specifies that “contracts” including deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of shares, bonds, debentures or other securities and all paper writings shall be executed or signed by the Treasurer and the President.

B. Purpose

This practice identifies senior administrators authorized by the Board to execute “contract, documents and instruments in writing” and outlines various administrative procedures relating to the execution of contracts.

C. Practice Statements

1. The Board By-Law #1, section 12, subsection 12.2.1 states that “contracts, documents or instruments in writing” required to be signed by the corporation shall be signed by the Treasurer and the President, or, in the absence of the Treasurer or the President, by any one of them and another senior administrator of the corporation. The signing officer is responsible for ensuring proper approvals are obtained.

2. Contracts requiring Board approval as outlined in Board Policy IV – D, Financial Matters, section 3, subsections 3.1, 3.2.1 and 3.2.5 include:
   
a) changes in expenditures approved in the annual budget that materially deviate from the Board Ends Policies or contravene the underlying intent of the business plan;

b) the purchase, sale or encumbrance of any College property or facility; and,

c) the expenditure of funds outside the approved budget except where new in-year initiatives generate new revenue.

3. The staff person responsible for negotiating a contract will ensure that it is reviewed for financial considerations, where applicable, by Financial Services. The Director, Financial Services will initial the contract to indicate that the review has taken place. Similarly, the staff person will consult with the Vice-President, Corporate Services to determine whether the contract should be reviewed by the College solicitor.
PRACTICE TITLE: Approval of Contracts, Documents or Instruments in Writing

4. The Vice-President responsible for the function to which the contract applies will forward the contract to the Vice-President, Corporate Services with a covering memorandum requesting that the contract be executed.

5. The Office of the Vice-President, Corporate Services will be responsible for obtaining the appropriate signatures as outlined in the College practice.

6. One original copy of all contracts will be maintained in the Office of the Vice-President, Corporate Services for central College reference purposes.

7. “Employment contracts” are not deemed contracts for the purpose of this practice and will follow Human Resources policies and practices.

8. The College has signed a “Resolution of Directors Regarding Banking and Security” which addresses all transactions involving our bankers. This resolution is complete and self-standing and is not affected by this practice.

9. Documents required for normal operations within established budgets and which could also be satisfied by a purchase order may be executed by the appropriate senior officer within the financial limits within the Procurement Practise.

D. Related Documents and Links

Board of Governors Bylaws:
http://www.niagaracollege.ca/content/CorporateInformation/BoardofGovernors/Bylaws.aspx