

**Approval Date: May 25, 2005**
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## Contract Review and Signing Authority Policy

<b>Office of Accountability:</b>	Office of the Provost and Vice-President (Academic)
<b>Office of Administrative Responsibility:</b>	General Counsel
<b>Approver:</b>	Board Audit Committee
<b>Scope:</b>	Compliance with this University-wide policy extends to all members of the University community.

### Overview

The Board of Governors of the University of Alberta is responsible for the management of the University and its resources and is accountable to the Government of Alberta through the Minister of Advanced Education and Technology. The Board has the power and authority to approve any and all policies pertaining to the contract signing authority responsibilities within the University of Alberta.

This policy shall apply to all types of **contracts**, establishing who has the authority to sign a contract. The *Signing Authority and Delegation of Signing Authority Policy – All Funds*, on the other hand, sets out the requirements with respect to signing authority and delegation of that authority in matters pertaining to the University Budget as approved by the Board, but does not set out who has the authority to enter into contracts relating to such expenditures.

This policy is one element in the University's system of internal control. The system of internal control consists of policies and procedures that support management decision making in many areas, including the determination and collection of revenues, control of expenditures, safeguarding of assets, and management of liabilities and risks. Financial controls provide guidance on the authorization of transactions and activities, appropriate segregation of duties, design and use of adequate documents and records, and adequate safeguards over access to and use of assets and records.

### Purpose

- To ensure best practices in the administration of the University of Alberta's assets through a consistent university wide framework of contract signing authority and delegation of that authority where appropriate.
- To provide clarity of roles and responsibilities so administrators and others can manage their respective areas of responsibilities in an effective, efficient and transparent manner.
- To ensure the University complies with all reasonable requirements from external agencies, such as funding agencies.
- To ensure all contracts undergo authorized review and approval prior to execution.
- To ensure clear and transparent framework and processes are established and maintained for the exercise of contract signing authority and for the delegation of signing authority to persons authorized to enter into contractual commitments on behalf of the University of Alberta.
- To ensure sound stewardship of all resources and assets and that risk management processes are in place to support effective and informed decision-making, as well as to provide for consistent accountability and reporting throughout the University. Every individual signing a contract on behalf of the University must understand that, in doing so, he/she is binding the University of Alberta, and not just an individual department or Faculty.

## **POLICY**

In accordance with the *Post-Secondary Learning Act*, the Board may delegate to the President, Vice-Presidents, or other employees of the University of Alberta signing authority and responsibility for matters necessary for the management of day-to-day operations. *Schedule "A"* sets out the current delegated contract **signing authority** from the Board as well as the **responsible department** for the various types of contracts.

No person is authorized to sign any document that creates an obligation or undertaking on behalf of the University unless

- i) that contract has been reviewed and approved in accordance with this policy and procedures; and
- ii) that individual has signing authority in accordance with this policy and procedures.

In addition, the signing authority must ensure that all required governance reviews and approvals, as required by the ***Post-Secondary Learning Act*** and by University policies and procedures, have been obtained prior to contract execution.

Signing authority delegated by the Board can be sub-delegated in accordance with the Sub-Delegation of Contract Signing Authority Procedure.

A position that is supervisory to a position that has been delegated signing authority in respect of a contract from the Board also has the authority to sign that contract. For example, if the Board has delegated authority to a vice-president, the authority to sign the contract will also exist for the President.

The appropriate Vice-President's Office is responsible for bringing to the attention of the Board, through the President's Office, any contract, regardless of value, that has an unusually high risk factor; that brings the activities of the University under scrutiny; or that involves controversial matters.

This policy and procedures apply to any contracts relating to or arising from centres and institutes of the University of Alberta.

All contracts are to be entered into in the name of The Governors of the University of Alberta.

All requests for changes to the signing authorities and limits are to be directed to the Office of the General Counsel.

## **DEFINITIONS**

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [\[▲Top\]](#)

<b>Contract</b>	Any document with a third party that creates a legally binding commitment, and includes letters of intent and memoranda of agreement.
<b>Signing Authority</b>	The position that has been delegated the authority from the Board to sign a contract.
<b>Responsible Department</b>	The department or faculty that has the responsibility to oversee the proper review and execution of a contract.
<b>Post-Secondary Learning Act</b>	The Post-Secondary Learning Act, Statute of Alberta, 2003, Chapter P19.5, as amended from time to time.

**RELATED LINKS**

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[Supply Management Services](#) (University of Alberta)

[Supply of Goods and Services Policy](#) (University of Alberta)

[TEC Edmonton](#) (TEC)

**PUBLISHED PROCEDURES OF THIS POLICY**

[Appointment of Faculty Procedure](#)

[Contract Review Procedure](#)

[Schedule A – Signing Authority for Contractual Obligations on Behalf of the Board of Governors of the University of Alberta](#) (University of Alberta)

[Retention of External Legal Counsel Procedure](#)

[Sub-Delegation of Contract Signing Authority Procedure](#)