

# Policy on Contracts (Signing of)

**Category:** Finance

**Approval:** Board of Governors

**Responsibility:** University Secretary

**Date:** June 2010, Revised June 2018

## Definitions:

**“Contract”** is used to describe any written agreement, contract, subcontract, binding letters 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.

A **“library contract”** is a contract for services or products to be provided within or by Trent’s library(ies).

**“Total value” or “total cost”** means the total value or cost of a contract, as expressed in the contract, including the fully aggregated costs of multi-year contracts, reasonable estimates of disbursements and projected reimbursements for accommodation and travel costs, but excluding taxes, duty and the cost to transport goods. “Total Value” also includes a reasonable estimate of the financial exposure of the University through obligations imposed in a contract including, but not limited to, indemnities, insurance requirements or any other obligation, liability or contingent liability to be assumed or which may accrue to the University even though the face value of a contract may be below \$50,000 or even nominal.

For the purposes of this policy, reference to the title of a senior administrative position shall be deemed to include equivalent successor positions.

## Purpose/Reason for Policy:

The purpose of this policy is to specify the signing authorities and use of the University Seal required for various types of contracts that may be entered into on behalf of the University.

## Scope of this Policy:

Subject to exceptions listed in this section defining scope, this policy applies to all faculty and staff of the University who sign any form of contract with a total value equal to or greater than \$50,000 or contracts or instruments described in Section D of this Policy.

Contracts having a total value of less than \$50,000 may be signed by the delegate of the President, Vice-President or Secretary, within their respective portfolios, save for contracts for research grants or sponsorships.

This policy does not apply to contracts for the procurement of goods and/or services or any other contract falling within the scope of the Procurement of Goods and Services Policy (PUR-001).

This policy does not apply to offers of employment or employment contracts or consultancy agreements. Consultancy agreements are subject to the Procurement of Goods and Services Policy PUR-001.

Despite certain contracts being outside of the scope of this policy, the procedure on Signing of Contracts shall apply to all contracts that are binding on the University.

### Policy Statement:

No employee of Trent is authorized to sign any contract on behalf of the University unless authority to do so has been provided for in this policy, the Procurement of Goods and Services Policy (PUR-001) or another instrument approved by the Board of Governors.

### Responsibilities

#### A. All Contracts Other than Library Contracts and Contracts for Research Grants or Sponsorships

For all contracts other than Research and Library contracts, if the contract:

1. has a total value of \$50,000 or more but less than \$250,001, such contract must be signed by any two of the President, a Vice President, the University Secretary or an Associate Vice President.
2. has a total value of \$250,001 or more, or is a lease or transfer of land, such contract must be signed by the President and any one of a Vice President, the University Secretary or an Associate Vice President. Note: Board of Governors SR II.2 requires purchases with a total value in excess of \$500,000 to have prior Board approval. Board of Governors SR II.4 requires that leases of property and all sales or transfers of property be approved by the Board.

In exercising authority under this provision, save for the President, senior administrators shall defer signing a contract to the senior administrator responsible for the affected functional or operational area, except in the absence of such senior administrator, in which case the senior administrator signing will seek background information on the subject matter from a knowledgeable individual in the affected area or shall defer signing to the President.

#### B. Research Contracts

Regardless of value, contracts for research grants or sponsorships must be signed by any two of the President, the Provost and Vice President Academic, the Vice President Research and Innovation, or an Associate Vice-President (Academic or Research).

#### C. Library Contracts

For all Library contracts, if the contract:

1. has a total value of \$50,000 or more but less than \$250,001 in the aggregate, such contract must be signed by any two of the President, the Provost and Vice President Academic, the Associate Vice-President (Academic) or the University Librarian.
2. has a total value of \$250,001 or more must be signed by the President and any one of a Vice President, the University Secretary or an Associate Vice President.

#### D. Use of the University Seal on Contracts

The corporate seal of the University shall be affixed to the following instruments by the University Secretary:

- i. Contracts for the purchase, sale or mortgage of land

- ii. Licences, leases and commitments of real property, facilities or resources of the University for a term exceeding one year, including renewal rights
- iii. Contracts having a total cost or total value to the University in excess of \$250,000
- iv. Collective bargaining agreements
- v. Bonds, debentures and securities issued by the University or agreements involving the borrowing of money or the guaranteeing of obligations
- vi. Contracts having 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, as determined by the President a Vice-President or the Secretary within their respective portfolios
- vii. Other instruments as required by law or deemed necessary or expeditious in the opinion of the Secretary

**Contact Officer:**

University Secretary

**Date for Next Review:**

TBD

**Related Policies, Procedures & Guidelines**

- a) Procurement of Goods & Services Policy and Procedures
- b) Board By-law No. 1
- c) Board Special Resolutions II.1, II.2, II.3, and II.4

**Policies Superseded by This Policy:**

- a) N/A