

Procedure Title:	Signing Authority – Externally Binding Transactions and Contractual Obligations
Procedure ID:	OP #4-417
Manual Classification:	Section 4 – Finance and Administration
Linked to Policy:	#4-417 Signing Authority
Approved by Senior Management Team:	May 2023
Effective Date:	May 12, 2023
Next Review Date:	May 2026
Contact for Procedure Interpretation:	Vice President, Corporate Services & Chief Financial Officer

1.0 – Purpose

The College Policy and this operating procedure are intended to ensure that all Legal Documents, Banking Transactions and Investment Transactions are properly reviewed, analyzed and authorized in compliance with the Minister's Binding Policy Directive for Banking, Investing and Borrowing, the Financial Administration Act, and any Regulations made pursuant thereto (collectively referred to as the "Ministry Directive"). Among other things, Section 28 of the Financial Administration Act provides that the College shall not enter into any financial arrangement, financial commitment, guarantee, indemnity or other similar transaction, without prior written approval of the Minister of Finance or the President of the Treasury Board.

The short title for the Policy and Operating Procedure is "Signing Authority."

2.0 – Definitions and Acronyms

In addition to the definitions and acronyms in this Procedure's linked Policy, the following apply to this Procedure:

Contingent Liability: A contractual clause requiring payment where there is uncertainty about the amount of the payment and whether the payment will be required.

Designated Signing Officer: A position with Signing Authority delegated by the President.

Document/Contract Administrator: The Administrator (person) that ensures a legal document has been reviewed by the proper department(s) and complies with College directives, policies and operating procedures. This is the person who is requesting the Legal Document be signed.

Electronic Signature: A signature that consists of one or more letters, characters, numbers or other symbols in digital form incorporated in, attached to, or associated with an electronic document.

Finance Department Administrators: The Vice-President Corporate Services or the Financial Services and Controllershship or the Manager Reporting and Accounting or the Manager Financial Planning and Analysis or the Supervisor Accounting Operations.

Financial Administration Act (FFA): The Financial Administration Act and any Regulations made pursuant thereto.

Loan Agreement: A loan agreement entered into between Ontario Finance Authority (OFA) or another third-party lender, as lender, and the College, as borrower, setting out the terms and conditions of a loan.

Minister's Binding Policy Directive, Banking, Investments, and Borrowing: This Policy Framework is issued under the authority of the Ontario Colleges of Applied Arts and Technology Act, 2002. It establishes requirements for all colleges as crown agencies when entering into any financial arrangement, financial commitment, guarantee, indemnity or similar transaction that will increase, directly or indirectly, the indebtedness or the contingent liabilities of Ontario.

Ministry: The Ministry of Training, Colleges and Universities.

Ontario Finance Authority: The OFA.

Relevant Administrator: An Administrative employee who is responsible for the activity covered by the Legal Document.

Secure Electronic Signature: An electronic signature that results from the application of a technology or process that meets the following characteristics:

- a) the electronic signature resulting from the use by a person of the technology or process is unique to the person;
- b) the use of the technology or process by a person to incorporate, attach or associate the person's electronic signature to an electronic document is under the sole control of the person;
- c) the technology or process can be used to identify the person using the technology or process; and
- d) the electronic signature can be linked with an electronic document in such a way that it can be used to determine whether the electronic document has been changed since the electronic signature was incorporated in, attached to or associated with the electronic document.

3.0 – Guiding Principles

The College Policy and this operating procedure are intended to ensure that all Legal Documents, Banking Transactions and Investment Transactions are properly reviewed, analyzed and authorized in compliance with the Minister's Binding Policy Directive for Banking, Investing and Borrowing, the Financial Administration Act, and any Regulations made pursuant thereto (collectively referred to as the "Ministry Directive"). Among other things, Section 28

of the Financial Administration Act provides that the College shall not enter into any financial arrangement, financial commitment, guarantee, indemnity or other similar transaction, without prior written approval of the Minister of Finance or the President of the Treasury Board.

4.0 – Scope

The scope of this operating procedure includes all Legal Documents, Banking Transactions, and Investment Transactions with no exception, including but not limited to:

- Academic contracts and agreements
- Commercial contracts and agreements
- Funding proposals and agreements
- Memorandum of understanding
- Lease/rental agreements
- Sale agreements, of services and goods
- Employment agreements
- Bursary and endowment agreements
- Donor receipts
- Purchase Orders
- Purchase or sale of investments
- Authorization of payments from College bank accounts

The authority for Purchase Requisition approval for the procurement of goods and non-consulting services is set out in the Approval Authority Schedule in College Policy #4-411 Purchasing and is not in the scope of the Signing Authority policy.

5.0 – Operating Procedure

5.1 – Compliance with Operating Procedure

College employees shall pay detailed attention when complying with this operating procedure. Contravention of the College's Signing Authority Policy may be considered a breach of an employment contract. Further, any person who signs a Legal Document, Banking Transaction or Investment Transaction who is not a Designated Signing Officer, OSO or a Sub-Delegate within the time period of the signing may be held personally liable for the obligation/legal commitment.

5.2 – Designated Signing Officers

Designated Signing Officer positions authorized by the President through College Policy #4- 417, *Signing Authority* are set out in Appendices A, B and C. The Appendices include restrictions and limitations on designated signing authority to comply with the Ministry Directive.

Designated Signing Officers' and OSOs' signatures shall be original handwritten signatures or Secure Electronic Signatures.

In the event that two (2) signatures are required on a Legal Document only a combination of two (2) Designated Signing Officers and/or OSO's may execute the Legal Document.

5.2a – Sub-Delegation

In the case of a temporary absence of a Designated Signing Officer for Legal Documents, delegation to a Sub-Delegate position listed in Appendix D of this Operating Procedure may occur. This delegation must be in writing and clearly state the effective time period. When signing a Legal Document, a Sub-Delegate is to note below their signature that they are a delegate (i.e., Delegate for 'name of specific Designated Signing Officer'). Where signing authority is delegated, responsibility for the executed document remains with the Designated Signing Officer as well as the Sub-Delegate.

Signing authority may not be further delegated by a Designated Signing Officer for Banking Transactions or Investment Transactions.

5.3 – Minister's Binding Policy Directive, Banking, Investments and Borrowing Compliance

The Board Chair is required to attest annually to the Ministry that the College has:

- a) fully assessed Contingent Liabilities in Legal Documents prior to entering into an agreement.
- b) appropriate governance in place to manage all of its contingent liabilities.
- c) limited the liabilities of the Crown and capped college exposure as a provision of all contracts where possible.
- d) sought appropriate legal advice prior to signing contracts;
- e) been in compliance with Section 28(1) of the Financial Administration Act (FAA), and
- f) reported the values of contracts entered into

All Legal Documents with a value of greater than or equal to \$1.0 million or that contain a Contingent Liability require approval from a Finance Department Administrator, prior to verbally agreeing to or entering into the Legal Document.

The Ministry Directive requires Legal Documents to **meet all** of the conditions listed below, in order to be exempt from the requirements of Section 28(1) of the FAA. Should any of the following conditions not be met, prior written approval from the Ontario Minister of Finance or the President of the Treasury Board is required before the Legal Document can be entered into. It is imperative that a Finance Department Administrator is notified, reviews and approves all Legal Documents that **do not meet** all of the following conditions prior to verbally agreeing to or entering into the Legal Document, as there could be a significant lead time to obtain OFA approval:

- a) has a term of ten (10) years or less.
- b) be in compliance with all applicable policies of the college and applicable laws and government directives.
- c) relates to activities of the college that are permitted under its objects.
- d) the government of Ontario is not responsible for paying any contingent liabilities.
- e) it is governed by the laws of Ontario and the contract must relate to activities undertaken within Canada, unless the purpose of the contract is:
 - to purchase services related to recruitment; or
 - to purchase or provide services related to one or more of curriculum design, program design or faculty exchange; or
 - the total contract value is less than \$3.0 million;
 - where the amount the college is required to pay or receive under the contract is undeterminable, the contract limits the liabilities of the college under the agreement to \$3.0

million.

In Legal Documents that are negotiable, wherever possible the agreement should expressly:

- a) state that the remedies, recourse or rights of the other party or parties in respect of the agreement are limited to the present and future assets of the college;
- b) state that the other party or parties waives and releases any recourse in respect of the agreement against every part of the Crown other than the college; and
- c) limit the amount of contingent liabilities to an amount less than or equal to the total value of the agreement.

In all cases, Legal Documents that meet any of the following criteria should be reviewed by the Colleges legal counsel, unless otherwise determined by a Finance Department Administrator:

- a) Having a value of greater than or equal to \$1.0 million;
- b) That contain Contingent Liabilities;
- c) That are governed by laws of any jurisdiction other than the Province of Ontario;
- d) That require the College to indemnify another party;
- e) That have a minimum term in excess of five (5) years;
- f) That deal with the purchase, sale, mortgaging, charging, licensing or leasing of real estate; or
- g) That assign to another party the intellectual property rights of the College.

The Administrative Officer Finance and Administration or Director Purchasing may ask for a third-party legal opinion regarding a Legal Document. Notwithstanding this decision, the Designated Signing Officer or OSO may also ask for a third-party legal opinion.

In both cases, the Office of the Vice-President Corporate Services should be contacted to arrange for a legal opinion.

The President and each of their direct reports will be required to attest annually to the Vice President Corporate Services that, at a minimum, section 7, 8, 9, and 10 have been complied with within their area of responsibility.

5.4 Legal Document Review and Tracking

The majority of Legal Documents require a document authorization form. The authorization form shall include confirmation of review and sign off by those positions listed under the "Minimum Reviewer(s)" column of the table in the authorization form. There may be additional reviewers required and, depending on the situation, it is the responsibility of the Document/Contract Administrator to ensure appropriate reviews have taken place.

The Designated Signing Officer or OSO may request additional reviews prior to the execution of the document. It is the Document/Contract Administrator's responsibility to ensure other relevant College departments, in addition to the "Minimum Reviewers", review the Legal Document prior to providing the document to the Designated Signing Officer or the OSO.

Other departments include, for example, but are not limited to:

- Finance department reviews reporting and other financial or budgetary aspects.
- Purchasing department reviews purchasing requirements that differ from the College



process set out in College Policy #4-411, *Purchasing*.

- The Administrative Officer Finance and Administration reviews the insurance components.
- The Privacy and Policy Officer in the Corporate Services department reviews the privacy components (FIPPA).
- Operational departments, such as Schools and service areas, review the operational requirements and ensure all deliverables can be met.

Where the Legal Document is reviewed by individuals in addition to the “Minimum Reviewers”, the Document/Contract Administrator shall ensure that the additional review(s) is documented on the document authorization form.

Following execution, the original signed Legal Document will be forwarded to the appropriate department for filing (see the table in the Document Authorization Form). It is the Document/Contract Administrator's responsibility to ensure this is completed.

The department responsible for filing the original signed Legal Document must be able to locate the document when required. As well, it shall develop a tracking file, which includes the following fields for each document:

- Sequential document tracking number
- Description of contract
- Parties involved
- Date signed
- Start date
- End date
- Term of the contract in years
- Renewal terms, if applicable
- Date renewal notice required, if applicable
- Date termination notice required, if applicable
- Total contract value for the full term
- Document/Contract Administrator's name, title and department
- Additional notes, if applicable

The following timelines should be expected to process a Legal Document other than a funding proposal:

- a) Minimum thirty (30) business days for the review and sign off of the Document Authorization Form; and
- b) Minimum five (5) business days for obtaining Designated Signing Officer or OSO signatures to execute the document, if no revisions are required.

Additional time should be planned in case the document requires an external legal opinion. Funding proposals require a minimum of five (5) business days for financial, procurement, human resources and other reviews as required.

5.5 Emergency Purchase of Goods and Services

The Administrator On Call for the Residence, Physical Resources, Information Technology or their

supervisor(s) are provided authority in Appendix A to sign a Legal Document relating to the purchase of goods or services in excess of \$24,999.99 in emergency situations, where not doing so would result in catastrophic consequences to the facilities or individuals.

This situation is expected to be extremely rare, however, when an emergency does arise, the administrator on call or their supervisor(s) who sign the Legal Document must send the fully executed document to their department's vice-president, along with a written rationale as to why there was not sufficient lead time for the Designated Signing Officer (applicable in a non-emergency situation) to execute the Legal Document.

5.6 Communication Responsibility

Internal and external communication related to the preparation and authorization of a Legal Document as well as the co-ordination between internal stakeholders is the responsibility of the Document/Contract Administrator.

5.7 Purchasing operating procedure (OP#4-411) – Internal Approval Authority

The College's Purchasing operating procedure (OP #4-411, Item #7) defines the College's internal approval authority schedule for procurement of goods and services, and it is not part of the Signing Authority operating procedure.

5.8 Implementation of Legal Documents

The Document/Contract Administrator is responsible for the implementation of the Legal Document, including but not limited to:

- Ensuring compliance with its terms and conditions.
- Informing and monitoring departments of the College on a timely basis about specific requirements included in the document that relate to their area of responsibility.
- Complying with reporting requirements.
- Ensuring financial reports are prepared/reviewed by the Finance Department.
- Planning for renewal processes where applicable and when necessary.

6.0 – Related Documents

- College Policy #4-417, *Signing Authority*
- College Policy #4-411, *Purchasing and Administrative Operating Procedure OP #4411, Purchasing.*
- College Policy #4-419A, *Comprehensive Investment Policy Statement*
- College Policy #4-419D, *Ministry Endowment Investment Policy Statement*
- College Policy #4-424, *Operating Account Investment Policy Statement*

7.0 – History of Amendments & Reviews

Date Approved	Activity
Mar 2017	Originally Approved
Oct 2017	Reviewed and revised
Jun 2019	Reviewed and revised

Jan 2021	Reviewed and revised
May 2021	Reviewed and revised
May 2023	Reviewed and revised

APPENDIX A to Operating Procedure OP #4-417: *Signing Authority*

Designated Signing Officers – LEGAL DOCUMENTS

The President delegates authority to sign on behalf of the College to the Vice-President(s) as Designated Signing Officer(s) of Legal Documents limited to their respective area of responsibility as set out in the current organizational charts. The delegation of authority for the above positions is further restricted for agreements related to the purchase of goods and services; see the details in the table below.

The President further delegates authority to sign only the specific Legal Documents set out below on behalf of the College to the following positions as Designated Signing Officer where they simultaneously meet **all** of the following conditions:

- a) has a value of less than \$1.0 million, unless a higher or lower limit is included in the table below.
- b) has a term of ten (10) years or less.
- c) is in compliance with all applicable policies of the college and applicable laws and government directives.
- d) relates to activities of the college that are permitted under its objects.
- e) it is governed by the laws of Ontario and the contract must relate to activities undertaken within Canada, unless:
 - the purpose of the contract is:
 - i. to purchase recruiting services; or
 - ii. to provide one or more of curriculum design, program design or faculty exchange
 - the total contract value is less than \$3.0 million.
 - where the amount the college is required to pay or receive under the contract is undeterminable, the contract limits the liabilities of the college under the agreement to \$3.0 million.

Legal Document	Designated Signing Officer(s)
<ul style="list-style-type: none"> - Funding agreements and financial reports up to \$3.0 million - Other Financial reporting, including funding reimbursement and other funding related claim forms - Employment services employer training agreements 	<ul style="list-style-type: none"> - Director, Financial Services & Controllershship - Manager, Reporting & Accounting - Manager, Financial Planning & Analysis
- Student offer letters	- Registrar
<ul style="list-style-type: none"> - Student placement agreements - Student field trips 	<ul style="list-style-type: none"> - Dean(s) - Principal(s)
<ul style="list-style-type: none"> - Contract faculty employment agreements - Student worker hire letter templates provided by 	- Relevant Administrator

HR - Termination letters and agreements	
- Part-time and temporary employment agreements	- Relevant Administrator - HR Consultant(s) and HR Generalist, based on written direction from Relevant Administrator
- Arbitration settlements	- Director, Employee and Labour Relations
- Proof of employment letters	- Payroll Supervisor - Human Resource Consultant(s) - HR Generalist
- Donor agreements	- Director Advancement and Alumni Relations - Director, Financial Services & Controllershship - Manager, Reporting & Accounting
- Conference booking agreements	- Director, Physical Resources
- Donor receipts - Gift and grant applications	- Director Advancement and Alumni Relations
- Emergency purchase of goods and services >\$24,999.99 before taxes (see section 16)	- Residence, Information Technology or Physical Resource Administrator On Call or their Supervisor(s)
- Well Contractor license and application	- School of Environmental and Natural Resource Sciences Faculty, Licensed Well Technician
- Purchase orders <\$500,000 before taxes - Sale of assets, excluding real property - Vehicle registration and licensing	- Director Purchasing
- Purchase Orders < \$25,000	- Purchasing Specialist - Senior Purchasing Officer(s)

Delegated authority to sign Legal Documents for agreements related to the purchase of goods and services is set out in the table below. All agreements are to be reviewed by, or advice obtained from Purchasing prior to signing. Purchasing's, or the College lawyer's review and advice should be incorporated into the agreement prior to signature, and all fully executed agreements are to be returned to Purchasing. *Purchasing Policy #4-411* and *Administrative Operating Procedure OP #4-411*, including the associated competitive threshold requirements, are to be followed prior to entering into agreements for the purchase of goods and services.



Designated Signing Officer(s)	Authority Limit (limits reflect the total \$ value over the entire term of the agreement, including optional extensions)
- Vice-President, Corporate Services & CFO	Agreements < \$1.0 million, including leases
- Vice-President(s) and President direct Senior Manager reports.	Agreements < \$500,000, excluding leases
- Director(s) - Dean(s)	Agreements < \$100,000, excluding leases
- Relevant Administrators	Agreements < \$25,000, excluding leases



Appendix B to Operating Procedure OP #4-417: Signing Authority

DESIGNATED SIGNING OFFICERS – BANKING TRANSACTIONS

The President delegates authority to sign or approve any and all Banking Transactions on behalf of the College to the following positions as Designated Signing Officers:

- Vice-President, Corporate Services & CFO
- Director, Financial Services & Controllershship
- Manager, Reporting & Accounting
- Manager, Financial Planning & Analysis

The President delegates limited authority for the authorization of payments from specific College bank accounts to the positions set out below as Designated Signing Officer.

Authorization of payments from College bank accounts require any one (1) of the Designated Signing Officers or OSO's for amounts up to \$10,000 and any two (2) for amounts greater than \$10,000.

Bank Account(s)	Designated Signing Officer(s)
All	The following positions in the Finance Department: <ul style="list-style-type: none">- Supervisor, Accounting Operations- Accounting Operations Officer- Technical Business Analyst (II) Finance
Payroll	<ul style="list-style-type: none">- Vice-President Organizational Effectiveness and Human Resources- Director, Employee Experience- Payroll Supervisor



Appendix C to Operating Procedure OP #4-417: *Signing Authority*

DESIGNATED SIGNING OFFICERS – INVESTMENT TRANSACTIONS

The President delegates authority to sign or approve any and all Investment Transactions on behalf of the College to the following positions as Designated Signing Officers:

- Vice-President, Corporate Services & CFO
- Director, Financial Services & Controllershship
- Manager, Reporting & Accounting
- Manager, Financial Planning & Analysis

Investment trading instructions, including giving orders or trading instructions to an investment firm require any one (1) of the Designated Signing Officers or OSO's. The execution of any and all agreements, consent letters of instruction or other documents required by the investment firm for the establishment, reclassification or operation of any accounts, withdrawal of any monies or securities contained in College investment accounts and any other Investment Transactions require any combination of two (2) of the Designated Signing Officers and/or OSO's.

Appendix D to Operating Procedure OP #4-417: *Signing Authority*

DESIGNATED SIGNING OFFICERS – SUB-DELEGATES

In the case of an absence of a Designated Signing Officer for Legal Documents, delegation to a sub- delegate may occur. The sub-delegation must be in writing clearly stating the effective time period covered. The Vice-Presidents may delegate Signing Authority for their area of responsibility to a Sub- Delegate.

Additional sub-delegation may occur on a document-by-document basis as set out below.

Legal Document	Primary Signing Officer	Sub-Delegate(s)
<ul style="list-style-type: none"> - Student placement agreements - Student field trips 	Applicable Dean or Principal	- Academic Chair(s)
- Student offer letters	Registrar	- Manager, Admissions, Enrolment Services and Financial Aid
<ul style="list-style-type: none"> - Purchase orders <\$500,000 before taxes - Sale of assets, excluding real property - Vehicle registration and licensing 	Director Purchasing	<ul style="list-style-type: none"> - Director, Financial Services & Controllershship OR - Manager, Reporting & Accounting OR - Manager, Financial Planning & Analysis