

## Policies and Procedures

Effective: 2019-01-01  
Next Review: 2022-01-01

### Policy 9050: Contracts

#### A. PURPOSE

The purpose of this policy is to communicate the principles and behaviors that Selkirk College employees are expected to demonstrate when carrying out Selkirk College business transactions through legally binding contractual agreements.

#### B. SCOPE / LIMITS

This policy applies to all Selkirk College employees and all types of contracts, except for contracts with students and purchasing contracts and contracts related to employee hiring.

#### C. DELEGATION OF AUTHORITY

Under Section 36 of the College and Institute Act (RSBC 1996, c52), the Board of Governors has the authority to appoint a President to exercise the authorities specified by the Board. The President may, without the prior approval of the Board, execute contractual commitments of up to one million dollars. This delegation may be changed at the discretion of the Board, and this policy will be amended to reflect any such change. Further delegation of authority is detailed in the Policy 9000: Signing Authority.

#### D. PRINCIPLES

Selkirk College will ensure in all of its business dealings conducted through the use of legally binding contractual agreements (contracts), that:

1. the contract is properly documented in writing;
2. the parties to the contract are able to meet their obligations within the terms of the document. While this applies to all of Selkirk College's obligations, in recognition of the nature of Selkirk College's activities, Selkirk College will be particularly vigilant in its management of intellectual property, confidentiality and privacy issues;
3. the appropriate level of approval has been received for the contract;
4. staff are aware of the financial and non-financial benefits and obligations that result from the contract; and
5. staff comply with all Selkirk College policies, guidelines, and procedures relevant to a given transaction, including, but not limited to, purchasing policies, intellectual property requirements, indemnifications and insurance, employment standards, collective agreements and educational policies.

#### E. DEFINITIONS

1. **Contract:** An agreement, in writing, between two or more parties intended to create legal obligations and that a court may enforce. The contract will normally be comprised of an exchange of promises between the parties. If a party executes an agreement under seal, it may be bound even though the other party has not given any promise in exchange. A contract may be subject to conditions; that is, the parties' obligations to perform it may be suspended pending the occurrence of certain events, including further approvals, whether by third parties or officials of the parties to the contract whose authority is greater than that of the individuals who signed the contract.
2. **Revenue contract:** A contract or agreement whereby Selkirk College will receive funds for any reason. Examples of revenue contracts are industry service agreements, research grants, facility-use agreements, property leases, and donation agreements.

## Policies and Procedures

3. **Expenditure Contract:** A contract or agreement whereby Selkirk College commits to purchase, rent, or lease goods, services, or real property.

### F. DUTIES AND RESPONSIBILITIES

1. **Legal Advice**

Staff wishing to seek legal advice relating to contracts require the approval of the Vice President, College Services. The Office of the Vice President, College Services or delegate will contact Selkirk College's legal advisors to get legal advice as required.

2. **Contract Registry**

The originals of all executed contract documents are retained by the Office of the Vice President, College Services, and electronically inventoried in the Contract Registry.

3. **Contract Signing Authorities**

Employees authorized to sign contractual commitments may delegate their signing authority, in their absence and for a specified period of time, to responsible nominees subject to the following restrictions:

- a) The delegated authority must be formally documented by email or in written form.
- b) The authorized dollar limits must not exceed the normal limits set for the original signing officers.

See Signing Authority Policy 9000.

4. **Contract Initiator**

The contract initiator is responsible for full review of the contract for content and presentation (including grammar, spelling, layout, etc.). Any revisions to the contract must be made by the contract initiator prior to the contract being forwarded to the authorized signatories for approval.

5. **Significant Agreements**

"Significant agreements" are agreements that may pose extraordinary risks or have a substantial impact on Selkirk College. Examples of significant agreements are listed below.

The list reflects some areas of particular concern that call for diligence by everyone within Selkirk College involved with the transaction. Before Selkirk College enters into any significant agreement, there must be appropriate documented review and approval of the proposed transaction, including reference to Selkirk College external legal counsel wherever applicable.

Compliance with these guidelines requires prudent professional judgment in the context of risk management obligations. The dollar value of a contract is not necessarily an accurate measure of the risk associated with it.

Examples of significant agreements include:

- a) agreements for the acquisition or disposal of real property or other substantial assets of Selkirk College;
- b) agreements for the licensing, sale, or other disposition of Selkirk College technology or intellectual property;
- c) agency agreements for activities in other countries. Such activities can have an impact not only on Selkirk College but also on provincial and federal governments due to legislative requirements and political sensitivities;
- d) agreements that have statutory, regulatory, certification, or export controls implications;
- e) agreements or arrangements that can in any way be interpreted as limiting competition or restraining trade, according to competition legislation:
  - (i) [Canadian Free Trade Agreement](#) (CFTA)
  - (ii) [North American Free Trade Agreement](#) (NAFTA)
  - (iii) [General Agreement on Tariffs and Trade](#) (GATT)

## Policies and Procedures

- (iv) [Canada-European Union Comprehensive Economic and Trade Agreement](#) (CETA)
- (v) [New West Partnership Trade Agreement](#) (NWPTA)
- f) agreements that by their nature require review by specialized groups such as tax, finance, risk management, insurance, or labour relations;
- g) agreements where Selkirk College is entering into a joint venture, partnership, or similar legal relationship with another institution or private company, particularly if the other entity is outside Canada; and
- h) agreements entered into by Selkirk College where, as a marketing strategy, there is reference to a significant Selkirk College partner or the provincial government, thereby possibly exposing either or both to liability.

### G. RELATED POLICIES

9000: Signing Authority

9100: Contracts and other Self-Funding Activities

9200: Acquisition of Goods and Services

### Responsibility, Recommendation and Approval Dates

**Executive Responsibility:** Vice President College Services/  
CFO

**Administrative Responsibility:** Director of Finance

**Recommended by Policy Review Committee:** 2018-12-11

**Recommended/Approved by Education Council:** n/a

**Approved by President:** 2019-01-01

**Linkage to Board Policy:** EL-80, EL-90

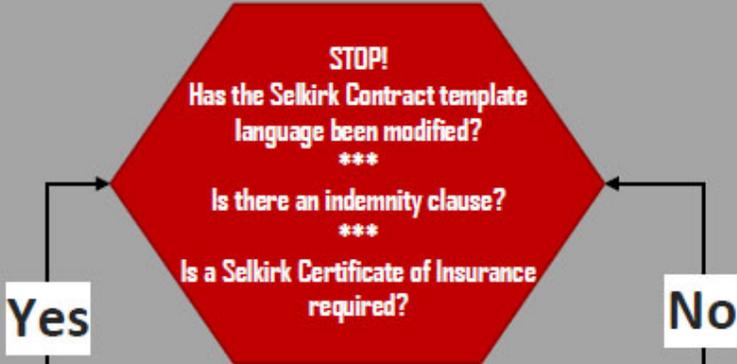
Policies and Procedures

# Addendum #1 Contract Process Chart

1

Contract initiator to develop contract on Selkirk College approved template. (See contract reference guide for contract template list).  
If contractor supplied contract; contract initiator to review contract for content. (Terms of agreement must be clearly stated).

2



3

Contract initiator to provide signature-ready contract to EA for review and submission to the Risk Management Branch. The contract cannot be signed until Risk Management approval has been obtained (Approximate 10 day turn-around time). EA will advise contract initiator of indemnity approval once received and/or forward a copy of insurance as required.  
EA may request additional information/contract revision from the contract initiator if required by Risk Management.

Contract initiator to forward signature-ready contract to the authorized signatories for contracting party and Selkirk College (see contract reference guide for signing authority matrix) for signature.

4

Contract initiator will forward signed contract original and ALL applicable supporting documents (WCB coverage, Proof of Insurance, Quotes) to the EA to be held in the contract registry files.  
Contract initiator is responsible for forwarding one copy of the final contract back to the contracting party (if contracting party requires an original signed copy of contract, then initiator must ensure two contracts are prepared for signature).

5

Executive Assistant, College Services, assigns a contract number and the contract is filed in the registry.