

Session 10.4

Execution of Contracts Policy

**Office of the General Counsel
And Secretary of the Board of Governors**

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1. The Ryerson Legal Team

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<https://www.ryerson.ca/gcbs/people/>

Legal Services Support Chart - <https://www.ryerson.ca/gcbs/what-we-do/legal-services/legalsupport/>

2. Execution of Contracts Policy

- Objectives of Review of Execution of Contracts Policy:
 - Provide an overview of the policy
 - Understand the review process of a Contract
 - Understand who has authority to sign a Contract
 - Understand the delegation of contractual signing authority (not financial signing authority)

2. Execution of Contracts Policy

- Policy applies to all “**Contracts**” to which the University is a party or that create an obligation on the University
- You may only sign a “**Contract**” on behalf of Ryerson if the policy authorizes you to do so, or if a member of the Executive Group has formally delegated signing authority to you
- Only employees of Ryerson can enter into a Contract

2. Execution of Contracts Policy

- Authority to sign a Contract is dependent on its total value or the type of Contract
- Policy found on GCBS website – <https://www.ryerson.ca/policies/policy-list/>
- Policy was updated in November 2013

University Administrative Policies

Execution of Contracts Policy, Schedule, Appendix

- Related Documents: [Approval Authority Schedule Policy](#), [Purchasing Policy](#), [Delegation of Authority Policy](#)
- Approval Dates: November 2009, June 27 2011, November 2013
- Approved by: Board of Governors
- Jurisdiction: General Counsel and Board Secretariat
- Next Review Date: November 2016

I. Purpose

The purpose of this policy is to specify the signing authorities required for Contracts entered into on behalf of the University.

II. Objective

The objective of this policy is to ensure that only those individuals with appropriate approval and accountability sign contracts on behalf of Ryerson University.

III. Scope or Application and Scope

This policy applies to all Contracts to which the University is a party or that create an obligation on the University. It applies to all faculty and staff. Contracts must be entered into only by employees of the University.

3. Helpful Policy Definitions

- **“Contract”**: means any written agreement, contract (including any renewal, extension or amendment of an existing contract), subcontract, letter of intent, memorandum of understanding, memorandum of agreement, legal actions, memorandum of settlement, minutes of settlement, academic agreement, employment contract, gift agreement, lease, license, purchase requisition/order, deed, transfer, instrument, assignment, obligation, certificate or other document, the provisions of which may be binding upon the University
- **“Research Contract”**: is a contract for goods and/or services to be provided by Ryerson faculty, staff and students in regard to research contracted or sponsored through external funding sources
- **“Student Placement Agreement”**: means a Contract with an organization outside the University to provide students with discipline-related work experience as a partial component of an academic program

4. Policy: What must I do?

- Prior to presenting a Contract for signature by the appropriate signing officer, the following requirements must be met:
 1. The appropriate member of the Executive Group must review and approve the business terms of the Contract
 2. The Contract must be reviewed by the Office of the General Counsel and Board Secretariat (Legal)
 3. An assessment of the risks to which the University may be exposed via the Contract must be prepared by the contract owner (Risk Management Checklist)
 4. Risk & Insurance Officer must review the insurance terms of the Contract

5. Policy: Keep in mind

- The term of the Contract – including renewals and extensions – should be less than 5 years in total, unless this is discussed with the Office of the General Counsel and Board Secretariat
- Signature stamps or pre-signed blank forms are not accepted as original signatures on Contracts

6. Authority to Sign a Contract

- For all **Contracts other than Student Placement Agreements and Research Contracts**, the following rules apply:

Contract Value	Who Must Sign
Less than \$100,000 in the aggregate	One of: Assistant Vice President, Dean, Senior Director or equivalent , or higher
Between \$100,000 and \$1,000,000 in the aggregate	One of: President and Vice Chancellor, Provost and Vice President Academic, Vice President Administration and Operations, General Counsel and Secretary of the Board of Governors, Vice President University Advancement and Alumni Relations, Vice President Research and Innovation, Vice President Equity and Community Inclusion, Chief Financial Officer
Between \$1,000,000 and \$5,000,000 in the aggregate OR any amount if the Contract is deemed to be of importance to the University	Two of: President and Vice Chancellor, Provost and Vice President Academic, Vice President Administration and Operations, General Counsel and Secretary of the Board of Governors, Vice President University Advancement and Alumni Relations, Vice President Research and Innovation, Vice President Equity and Community Inclusion, Chief Financial Officer
Greater than \$5,000,000 in the aggregate	The Contract must be approved in advance by the Board of Governors and then signed by two of the following: President and Vice Chancellor, Provost and Vice President Academic, Vice President Administration and Operations, General Counsel and Secretary of the Board of Governors, Vice President University Advancement and Alumni Relations, Vice President Research and Innovation, Vice President Equity and Community Inclusion, Chief Financial Officer
The Contract relates to legal actions	The Contract must be signed by the General Counsel and Secretary of the Board of Governors in addition to the signing authorities set out above.

6. Authority to Sign a Contract

- For all **Student Placement Agreements**, the following rules apply:
 1. Student Placement Agreements for placements in Canada must be signed by the Provost and Vice President Academic and General Counsel and Secretary of the Board of Governors.
 2. Student Placement Agreements for placements outside of Canada must be signed by the Provost and Vice President Academic and Vice President Research and Innovation.
- For all **Research Contracts**, the following rules apply:

Contract Value	Who Must Sign
Less than \$1,000,000 in the aggregate	One of: President and Vice Chancellor, Provost and Vice President Academic, Vice President Research and Innovation, General Counsel and Secretary of the Board
Greater than \$1,000,000 in the aggregate	Two of: President and Vice Chancellor, Provost and Vice President Academic, Vice President Research and Innovation, General Counsel and Secretary of the Board

7. Delegation of Signing Authority

- A member of the Executive Group may delegate his or her signing authority to another employee, in circumstances such as:
 - The signing authority will be away or unavailable to sign
 - Or the signing authority agrees that it is appropriate for another employee to sign on his or her behalf
- Legal prepares the Delegation of Signing Authority
- Separate policy for Delegation of Financial Signing Authority

8. Risk Management Checklist

- Appendix to the Execution of Contracts Policy
- Used to assess the following risks:
 - General risks
 - Financial risks
 - Information technology risks
 - Legal risks
 - Policy risks
 - Reputational risks

9. Contract Review Process

- Purchasing is first contact:
 - How can I obtain the product/services I need?
 - Does this fall under the Purchasing Policy?
 - What is the total estimated value of what I am purchasing (over the life of the proposed product/service)
- Engaging Legal:
 - Does decision maker/signing party know about this contract?
 - Standard time for initial legal review: 5-10 business days, exceptions for urgent matters
 - Risk & Insurance Officer needs to be engaged re: Insurance/Indemnity
 - Full negotiation can take weeks

10. Questions?