

SIGNING AUTHORITY – REVENUE GENERATING, EXPENDITURE AND OTHER CONTRACTS/AGREEMENTS

| | |
|--------------|---|
| Section: | Finance (FN) |
| Subject: | Signing Authority – Revenue Generating, Expenditure and Other Contracts/Agreements |
| Legislation: | <i>Post-Secondary Learning Act (SA 2003 cP-19.5).</i> |
| Effective: | November 27, 2001 |
| Revision: | June 3, 2003; August 15, 2003 (reformatted); November 24, 2003; June 14, 2005 (reconfirmed); June 1, 2006 (reconfirmed); June 4, 2007; May 27, 2008 (reconfirmed); May 26, 2009; June 1, 2010 (reconfirmed); May 31, 2011 (reconfirmed); May 29, 2012 (reconfirmed); June 25, 2013 (reconfirmed); May 27, 2014 (reconfirmed); May 26, 2015 (reconfirmed); June 6, 2016 (reconfirmed); September 1, 2016 (reformatted); November 21, 2019; February 19, 2020; May 28, 2020 |

APPROVED: _____
President and CEO

POLICY

The policy of the Board of Governors is to ensure that organizational positions have the appropriate authority to perform transactions and to execute agreements on SAIT’s behalf.

PROCEDURE**DEFINITIONS**

Agreement or contract Any written arrangement between the Board of Governors and another party with the intention of creating legally binding obligations(s) or commitment(s) for SAIT. Agreements include but are not limited to contracts, revenue or expenditure type documents, deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or moveable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances and all paper writings of a legally binding nature.

The official controlled version of this document is held in the Board of Governors Office.

| | |
|-------------------------------------|--|
| Contract value | The total value of the contract over the term, including all taxes, service charges and other associated fees, but excluding the potential value of extensions to the contract. |
| Expenditure agreement | An agreement that may result in a formal commitment to purchase goods or services with a vendor. It includes but is not limited to purchase orders, blanket orders, increases to purchase orders, goods and service purchase agreements, construction agreements, consulting agreements, independent contractor agreements, requests for quotations, proposals, tenders and expression of interest, letters of intent, vendor exclusivity agreements, lease or rental agreements, licensing agreements and financing agreements. |
| Multi-year contract | A contract that extends beyond an approved fiscal year budget and requires future financial commitments on SAIT's behalf. These include but are not limited to earned revenue contracts, leases, and licenses. |
| Other agreement | Any other legally-binding or potentially legally-binding agreement that is not a revenue generating agreement or an expenditure agreement. It includes but is not limited to joint ventures, collaboration/partnerships, non-disclosure and confidentiality, information sharing, letters of intent, memorandums of understanding, articulation, agency, trademark licenses, workplace experiential agreements and intellectual property licenses. |
| Revenue generating agreement | A legally-binding or potentially legally-binding agreement that may generate revenue for SAIT. It includes but is not limited to training agreements, master services agreements, leases, facility licenses, binding proposals, partnerships, licensing agreements and government-provided grants. |
| Signing authority | The legal authority that the Board delegates through SAIT's president and CEO to organizational positions, enabling persons in these positions to perform transactions and execute agreements on SAIT's behalf. |

The official controlled version of this document is held in the Board of Governors Office.

GOVERNING PRINCIPLES

1. Agreements requiring execution by the Board may be delegated to and executed on behalf of SAIT and the Board by the president and CEO or delegate(s), and all agreements so executed shall be binding upon the Board and upon SAIT without any further authorization or formality.
2. Notwithstanding the delegation of authority conferred upon SAIT's president and CEO, the Board retains the residual power to execute any agreement to which SAIT is a party and, in particular, any agreement involving:
 - a) Collective agreements that bind SAIT.
 - b) The purchase, sale, acquisition, disposition or leasing of real estate.
 - c) The selection of SAIT's president and CEO.
3. Notwithstanding the delegation of authority herein conferred upon authorized signatories, the president and CEO retains the residual power to contract on SAIT's behalf in relation to any and all agreements of whatever nature, as delegated by Board resolution to the president and CEO.
4. All agreements that bind SAIT or the Board must comply with SAIT's policies and procedures. The executive and deans, directors and managers are responsible to ensure all agreements are signed in accordance with this and other policies and procedures.
5. Employees who sign agreements on SAIT's behalf must ensure that SAIT is able to meet the obligations and commitments outlined in the agreement.
6. The president and CEO shall inform and seek direction from the Board on any unplanned revenue and expenditures of significant or material value (> \$2 million) that were not accounted for in the Board-approved operational or capital budgets.

PROCEDURE

A. Delegation of Authority

1. SAIT will delegate authority to a position, as opposed to a person. However, unless otherwise specified, authority delegated to a position extends to any person acting in

The official controlled version of this document is held in the Board of Governors Office.



the position, provided that the delegation is in writing and the person is a SAIT employee.

2. A temporary delegation of authority is permitted during the temporary absence of a person having permanent authority, providing it is in writing, fully documented, and sent to the Finance department before the absence begins.

B. Review of Agreements

1. It is the school/department's responsibility to assess the nature of the agreement and to determine, in consultation with the appropriate supervisor or manager, school/department dean or director, vice president or Finance, whether and by whom the agreement needs to be reviewed and signed. Additional information on who is responsible for reviewing and signing different types of agreements, is set out in Schedule A, Contract/Agreement Register, an Associated Document to this procedure.
2. SAIT's Contracts, Legal Services and Insurance section, Finance department, must review:
 - a) Multi-year contracts committing funding beyond a Board-approved budget. The CFO and vice president, corporate services or delegate must approve these contracts.
 - b) Revenue generating agreements and expenditure agreements that are not on a standard SAIT contract template, before the agreement is executed.
 - c) Revenue generating agreements and expenditure agreements that have significant operational, financial, reputational and/or legal risks.

C. Corporate Seal

1. The following positions are authorized to affix SAIT's corporate seal to agreements binding SAIT:
 - a) Chair of the Board of Governors.
 - b) Vice chair of the Board of Governors.
 - c) President and CEO.
 - d) CFO and vice president, corporate services.

The official controlled version of this document is held in the Board of Governors Office.

D. Signing Authority

1. Revenue generating agreements and expenditure agreements must be made by way of a formal written agreement, and approved in accordance with the Signing Authority Matrix.
2. A series of reasonably-related transactions will be considered as a single transaction for the purpose of determining required signing authority levels. Under no circumstances shall any single transaction be broken down into multiple requirements or be reduced in term or scope to alter the commitment level or the positions which have the delegated authority to approve the requirement.
3. The Signing Authority Matrices and any changes to them must be approved by the Board, based upon the president and CEO’s recommendation.
4. Any exception to the approval limits set out in the Signing Authority Matrices requires the written approval of the CFO and vice president, corporate services.
5. A second signature or internal approval from the president and CEO or from one vice president is required for any agreement that:
 - a) Has a significant operational, financial, reputational and/or legal risk to SAIT.
 - b) Is in excess of the annual operating and capital budget previously approved by the Board.
 - c) Requires significant resources from SAIT’s divisions, schools and/or departments.
6. Revenue Agreements Signing Authority Matrix

The following positions are authorized to approve and sign revenue generating agreements within the stated approval limits and current fiscal year:

| Signing Authority | Contract Value |
|---|----------------|
| President and CEO and one vice president* | ≥ \$2 million |
| President and CEO | < \$2 million |
| Vice president | < \$1 million |
| Associate vice president/CIO | < \$250,000 |

The official controlled version of this document is held in the Board of Governors Office.

| | |
|--|-------------|
| Dean, director | < \$100,000 |
| Associate dean, associate director | < \$50,000 |
| Academic chair, manager | < \$25,000 |
| Project coordinator (Corporate Development only) | < \$15,000 |

*The vice president signing with the president and CEO shall not be the same divisional vice president responsible for the administration of the agreement.

7. Expenditures Signing Authority Matrix

a) The following positions are authorized to approve and sign expenditures within the stated approval limits and current fiscal year:

| Signing Authority | Contract Value |
|---|----------------|
| President and CEO and one vice president* | ≥ \$5 million |
| President and CEO | < \$5 million |
| Vice president | < \$2 million |
| Associate vice president / CIO / Director, Facilities Management | < \$1 million |
| Dean, director | < \$250,000 |
| Associate dean, associate director | < \$100,000 |
| Academic chair, manager | < \$50,000 |

*The vice president signing with the president and CEO shall not be the same divisional vice president responsible for the administration of the agreement.

b) The following positions are authorized to approve expenditures within the stated approval limits and current fiscal year, but may not commit (approve or sign) SAIT to any type of agreement:

| Signing Authority | Contract Value |
|---|----------------|
| Supervisor/team lead/coordinator | < \$10,000 |
| Delegated school/department positions For example, instructor, administrative or support roles | < \$5,000 |

The official controlled version of this document is held in the Board of Governors Office.

- c) The following positions are authorized to sign purchase orders within the stated limits. For further information, see Schedule B, Supply Management Approval Workflow, an Associated Document to this procedure.

| Signing Authority | Contract Value |
|--|----------------|
| CFO and vice president, corporate services or associate vice president, Finance department | ≥ \$1,000,000 |
| Supply Management/Purchasing section – manager | < \$1,000,000 |
| Supply Management – Purchasing section officer | < \$75,000 |

ASSOCIATED DOCUMENTS

- Schedule A Contract/Agreement Register
- Schedule B Supply Management Approval Workflow

POLICY/PROCEDURE REFERENCE

- FN.12.1 Signing Authority – Revenue Generating, Expenditure and Other Contracts/Agreements policy

The official controlled version of this document is held in the Board of Governors Office.