

## ACADEMIC COUNCIL REPORT

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**SESSION:**

Public

**ACTION REQUESTED:**

Decision   
Discussion/Direction   
Information

**TO:** Academic Council

**DATE:** May 25, 2021

**PRESENTED BY:** Niall O'Halloran, Policy and Compliance Advisor

**SUBJECT:** Signing Authority Policy Instrument Framework

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### ACADEMIC COUNCIL MANDATE:

- In accordance with Article 1.3(b) of By-law No. 2, the Academic Council will be consulted on the establishment of Legal, Compliance and Governance Policies, which is also reflected in the university's Policy Framework.
- Finance and the Office of the University Secretariat and General Counsel present the Signing Authority Policy and related procedures to Academic Council (AC) for consultation.

### BACKGROUND/CONTEXT & RATIONALE:

- In the summer of 2017, the former President, at the request of Chair of the Board of Governors, commissioned a review of Ontario Tech's contract-related policies and procedures. With the Chair's agreement, a governance consultant, Louis Charpentier of L.R. Charpentier Associates, was engaged to undertake a review which was to examine the existing framework and recommend changes, as appropriate, to reflect contemporary good practice in the university sector.
- Key Policy Instruments:
  - Signing Authority Policy is intended to ensure that there is sound stewardship of the University's resources and assets through a University-wide framework of Contract signing authority and delegation of that authority where appropriate
  - Expenditure Signing Authority Procedure sets out relevant monetary thresholds for approving expenditures, including expenditures pursuant to contracts.

- Legal Commitments Signing Authority Procedure comprises an extensive list of contract categories and, within those categories, any approval requirements, specific signing authorities and relevant monetary thresholds (if any). This allows for incoming funds to be subject to different monetary thresholds than expenditures.
- Each procedure is a key element of accountability related to the Board's delegation of authority to the University's administration for effective financial and contract management.
- The documents incorporate elements of Ontario Tech's current policies and procedures, as well as additions modelled on policies and procedures from other Canadian universities. Together, they are intended to address the major themes that emerged in consultations with the Chair and various members of the Board, members of the Senior Leadership Team, and the decanal group. The themes included concerns about clarifying authority and accountability expressed in the current policy and procedure framework, the separation of policy and procedure, and possible gaps in or misinterpretation of either policy or procedure. The proposed signing authority register, while embedding components of the University's current Registry, is significantly more detailed with the inclusion of appropriately stratified monetary thresholds, based on contract materiality, as well as approval requirements that precede signing.

**ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:**

- Aligns with the values of "Honesty and Accountability" by establishing stewardship of the University's resources and assets through a University-wide framework of Contract signing authority and delegation of that authority where appropriate

**CONSULTATION:**

- Extensive consultation was conducted in early 2018 on a joint Contract Management and Signing Authority Policy, Procedure and Register. A contract signing authority working group consisting of a cross-section of stakeholders provided recommended contract types and signing authorities that informed the Legal Commitments Signing Authority Procedure. The current drafts of the policy instruments build upon the results of that consultation.
- In 2018/19, the following consultations occurred:
  - Policy Advisory Committee (January 23<sup>rd</sup>, 2018)
  - Audit and Finance Committee (February 21<sup>st</sup>, 2018)
  - Academic Council (February 27<sup>th</sup>, 2018)
  - Research Board (February 27<sup>th</sup>, 2018)
  - Administrative Council (March 13<sup>th</sup>, 2018)
  - Policy Advisory Committee (January 30, 2019, February 25, 2019, March 8, 2019)
- A series of consultations on a revised policy and procedures occurred beginning in 2021. The following consultations occurred:
  - Policy Advisory Committee (March 26, April 21, 2021)
  - Office of Research Services (March)
  - External Relations and Advancement (March)
  - Senior Leadership Team (April 26)
  - Academic Council (May 25)

**COMPLIANCE WITH POLICY/LEGISLATION:**

- These policy instruments will be enacted to ensure clear delegation of signing authority consistent with the University's Act and compliance with contractual terms through the enactment of a process for clear contract ownership/management and compliance.

**NEXT STEPS:**

- A summary of comments on each instrument will be provided to the relevant deliberative body and approval authority.
- Online Consultation (May 25-June 4)
- Administrative Leadership Team (June)
- Audit and Finance Committee (June 15 - Deliberation)
- Board of Governors (June 24 - Approval)

**SUPPORTING REFERENCE MATERIALS:**

- Signing Authority Policy (draft)
- Expenditure Signing Authority Procedure
- Legal Commitments Signing Authority Procedure