



# Execution of Contracts

Category:	Operations
Number:	
Audience:	All University Faculty and Staff
Last Revised:	September 23, 2017
Owner:	President
Approved by:	Board of Governors
Contact:	President's Office (306) 790-5950 ext. 2100

## Introduction

This policy applies to all Contracts to which the First Nations University of Canada is a party or that creates an obligation on the part of the University. Contracts must be written and entered into only by employees of the University and this policy communicates the principles and behaviours that FNUniv employees are expected to demonstrate when carrying out University business transactions through legally binding contractual agreements. The purpose of this policy is to specify the signing authorities required for contracts entered into on behalf of the University. The objective of this policy is to ensure that only those individuals with appropriate approval and accountability sign contracts on behalf of First Nations University of Canada.

## Definitions

**Contract** – Under this policy, a contract is an agreement between the First Nations University of Canada and another party that is intended to have a binding obligation and/or legal effect. Contracts contain the terms and conditions under which goods, services, or other considerations of value are furnished by either party. Effective contracts provide a common understanding and the essential terms and mutual obligations defined within the agreement that exist between the parties. In addition to formal documents commonly understood to be contracts, documents such as purchase orders, service agreements, leases, statements of work and letters or memoranda of agreement, understanding, and intent are contracts if there is a University interest at stake and something of value is exchanged. For example, some of the most common types of contractual documents at the University are:

- Revenue Contracts
- Employment Agreements
- Expenditure Contracts

**FNUniv and/or University** – means First Nations University of Canada

**Revenue Contract** - A contract or agreement whereby FNUniv will receive funds for any reason. Examples of Revenue Contracts are Industry Service Agreements, Research Grants, Facility Access Agreements, Facility Rental Agreements, property leases, and Donation Agreements.

**Expenditure Contract** – A FNUniv Purchase Order, with any attachments, or any other agreement whereby FNUniv commits to purchase or rent or lease any goods, services, or real property.

**Standard Contract** – any agreement made using the University approved standard contract template.

## Policy

FNUniv shall ensure, in all of its business dealings conducted through the use of a legally binding contractual agreement, that:

1. The agreement 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 FNUniv obligations, in recognition of the nature of University activities, the University will be particularly vigilant in its management of intellectual property, confidentiality, and privacy issues.
3. The appropriate level of approval has been obtained for the contract.
4. Staff must comply with all University policies, guidelines, and procedures relevant to a given transaction, including, but not limited to: purchasing policies, intellectual property requirements, indemnification and insurance, employment standards, collective agreements, and educational policies.
5. Two signatures are required on all contracts. It is mandatory that one signature be the Direct of Finance. The President and Director of Finance will be the mandatory signers for all expenditures over \$100,000.
6. Mandatory review of all expenditure contracts be conducted by Finance prior to signature.
7. The benefits accruing to the University under the contracts' terms outweigh the risks assumed by entering into the contract.
8. Contracts must be executed in accordance with the supporting contracts process.

## Roles and Responsibilities

### Board of Governors

- a. Sign all contracts over \$200,000.
- b. Delegate authority to the President for the signing of contracts under \$200,000.

### President

- a. Approve University standard contract templates.
- b. Approve any contacting of legal advisors.
- c. Review non-standard legal agreements.
- d. Mandatory signer for expenditures over \$100,000.
- e. Initiate the Contract process for all departments falling under the supervision of the President.
- f. Delegate signing authority for contracts to the Vice President Academic, Director of Finance and Associate Vice President Academic.

### Vice President Academic

This position provides services and guidance to the University in relation to the identification, qualification, and execution of external business opportunities. Duties include:

- a. Guiding the negotiation, assessment, creation, maintenance, and management of contracts to ensure that they represent the optimal outcome for FNUUniv in terms of financial, educational and strategic objectives.
- b. Development and implementation of a contract management procedure to ensure that appropriate staff are aware of the financial and non-financial benefits and obligations in contracts so that FNUUniv may optimize its performance and financial return.
- d. Provide administrative services required to expedite, manage, and report on FNUUniv contracts.
- e. Provide oversight to ensure that all executed contractual documents are tracked, inventoried, and numbered sequentially.
- f. Ensure performance of the contract and management of obligations flow from the contract.
- g. Ensure that no work, project or employment begins by an individual or contractor/service provider prior to their start date without a signed contract in place. Verbal offers cannot be made.
- h. Act as contract signer for expenditures under \$100,000.
- i. Initiate the Contract process for all departments falling under the supervision of the VP Academic.
- j. Must utilize only approved standard contract templates.

## Finance

- a. Review of contracts as specified by FNUniv policies to ensure that no inordinate legal, financial, or operational risks, including conflict of interest, are presented.
- b. Act as the contract repository where the originals of all executed contractual documents are to be retained.
- c. Ensure that no payments are made through payroll or accounts payable without a signed contract in place.
- d. Mandatory signer on all contracts.
- e. Review all expenditure contracts prior to signature.

## Human Resources

- a. Review employment contracts to ensure all specific procedures which apply to employment contracts and all employment law requirements are addressed.

## Consequences for Noncompliance

Contracts not properly authorized and signed in accordance with this Policy will not legally bind the University and could be reduced or not honoured. In certain cases the individual signing the contract may incur personal liability, and/or may be subject to discipline by the University, including termination.

## Related Information

- [Execution of Contracts Policy – Procedure Statement](#)
- [Signing Authority Policy](#)
- [Procurement Policy](#)
- [Institutional Integrity \(formerly Whistleblower\) Policy](#)
- [Employee Conflict of Interest Policy](#)