



*Revised under delegated authority Nov 17, 2008*

## **University of Toronto**

### **POLICY ON APPROVAL AND EXECUTION OF CONTRACTS AND DOCUMENTS**

#### **A. PREAMBLE**

The Governing Council of the University of Toronto is a corporation continued by an Act of the Legislative Assembly of Ontario: the *University of Toronto Act, 1971*, as amended by 1978, chapter 88.

Section 3(b) of *By-law Number 2* of the Governing Council provides that:

The Council may from time to time by resolution appoint any officer or officers or any person or persons on behalf of the Council either to sign contracts, documents or instruments in writing generally or to sign specific classes of contracts, documents or instruments in writing or to sign specific contracts, documents or instruments in writing.

Pursuant to this By-law provision, the Governing Council has established this Policy on Approval and Execution of Contracts and Documents.

#### **B. APPROVAL**

Contracts not in the normal course of business will be referred to the appropriate board or committee of the Governing Council for approval on behalf of the Governing Council or for recommendation to the Governing Council for approval. Other contracts may be approved by the senior officer(s), as specified below, who are responsible for the consultations and negotiations leading to their completion.

The Governing Council has set financial limits or other conditions which establish the level of authority to give final approval to contracts and documents. It has done so by approval of the Board and Committee terms of reference, the Banking and Borrowing resolutions, and specific policy documents. A record of such limits and conditions is maintained in the Governing Council Secretariat. Only contracts that are consistent with approved policies may be approved.

Notwithstanding the delegation of authority to administrative officers to approve contracts contained in the Board and Committee terms of reference, the Banking and Borrowing resolutions or specific policy documents, the President and other administrative officers shall bring to the attention of the appropriate Board or Committee of the Governing Council any contract or other agreement, prior to approval and execution, that involves a unusually high level of risk to the University or that might have a negative effect on the reputation of the University.

### **C. EXECUTION OF CONTRACTS AND OTHER AGREEMENTS NOT IN THE NORMAL COURSE OF BUSINESS**

- (1) Contracts and documents under seal may be signed by:
- (a) any two of the President, the Chairman of the Governing Council, the Vice-Chairman or Acting Chairman of the Governing Council, a Vice-President, an Assistant Vice-President, the Chief Financial Officer, the Deputy Provost or a Vice-Provost, the Chief Real Estate Officer, the Chief Capital Projects Officer, the Chief Information Officer, Senior Legal Counsel, or a member of the Governing Council specifically designated, or
  - (b) any one in (a) above, when countersigned by one of the following:  
the Secretary, the Deputy Secretary or an Assistant Secretary of the Governing Council, the Director, Capital Projects, the Director, Utilities or the Controller.

Normally the Secretary, Deputy Secretary or an Assistant Secretary of the Governing Council shall sign all documents together with one signing from (a) above.

- (2) Contracts and documents not requiring signature under seal may be signed by any one of the President, a Vice-President, an Assistant Vice-President, the Chief Financial Officer, the Deputy Provost or a Vice-Provost, Senior Legal Counsel, or as specified in section D.

For matters within their areas of responsibility, contracts and documents not requiring signature under seal may be signed by any one of: the Chief Real Estate Officer, the Chief Capital Projects Officer; the Chief Information Officer; the Director, Capital Projects; the Director, Utilities; the Controller; or the Director of Procurement Services.

### **D. APPROVAL AND EXECUTION OF SPECIFIC CLASSES OF CONTRACTS AND DOCUMENTS IN THE NORMAL COURSE OF BUSINESS**

- (1) Specific classes of contracts and documents in the normal course of business and consistent with university policies and procedures not requiring signature under seal may also be approved and signed as follows:
- (a) Agreements in the normal course of business for the purchase of goods or services for a budget unit, using that unit's funds, and conforming to the requirements of the University's Purchasing Policy and other relevant policies, may be approved and signed by the Principal, Dean, Vice-Dean, Associate Dean, Director, Chair or other head of the budget unit or by their designate given written authority to make such purchases by the Principal, Dean, Vice-Dean, Associate Dean, Director, Chair or other head of the budget unit. All capital leases (i.e. those with purchase commitments) are reviewed by the Procurement Services Department, which retains executed copies of the documents.
  - (b) Offers of employment to University faculty or staff that are accepted constitute employment contracts. Offers of employment that conform to relevant University policies and procedures may be approved and signed by the Principal, Dean, Vice-Dean, Associate Dean, Director, Chair or other head of the budget unit or by their designate given written authority to authorize such offers by the Principal, Dean, Vice-Dean, Associate Dean, Director, Chair or other head of the budget unit.

- (c) Agreements in the normal course of business for the sale of goods or services by a budget unit that conform to relevant University policies may be approved and signed by the Principal, Dean, Vice-Dean, Associate Dean, Director, Chair or other head of the budget unit or by their designate given written authority to authorize such sales by the Principal, Dean, Vice-Dean, Associate Dean, Director, Chair or other head of the budget unit, provided: (i) that the general class of such sales has been approved by the Vice-President, Assistant Vice-President, Deputy Provost or Vice-Provost responsible for the budget unit, and (ii) that the form of the agreement has been approved by the Vice-President, Assistant Vice-President, Deputy Provost or Vice-Provost responsible for the budget unit.

The Vice-President, Assistant Vice-President, Deputy Provost or Vice-Provost responsible for the budget unit will notify the Secretary of the Governing Council, of all classes of sales approved under this clause, the general form of the agreement to be used and the position titles of the officers who have received signing authority.

- (d) Agreements in the normal course of business for educational placements for students off a University campus, pursuant to approved academic programs, may be approved and signed by the Principal, Dean, Director, Chair or other head of the academic unit, or by the program supervisor duly appointed by the Principal, Dean, Director, Chair or other head of the academic unit, provided that the form of the agreement has been approved by the Vice-President and Provost, Deputy Provost or Vice-Provost responsible for the academic unit.

The Vice-President and Provost, Deputy Provost or Vice-Provost responsible for the academic unit will notify the Secretary of the Governing Council of the types of education placements where approval has been given under this clause, the general form of the agreement to be used and the position titles of the officers who have received signing authority.

- (e) Research contracts (as defined under the Policy on Research Contracts and the Recovery of Indirect Costs of Research) conforming to relevant University policies, may be approved and signed by the President, Vice-President, Research or the Assistant Vice-President, Research or another designate of the Vice-President, Research.
- (f) Written settlements of legal claims, grievances and complaints, of whatever kind, may be signed by any one of the President, a Vice-President, an Assistant Vice-President, the Chief Financial Officer, the Deputy Provost or a Vice-Provost, Senior Legal Counsel, or someone designated by one of the foregoing, in writing.
- (2) From time to time the Governing Council or its appropriate Board may approve, pursuant to By-law number 2, Section 3(b), that individuals other than those named above be authorized to sign specific classes of contracts, documents or instruments in writing. A record of such approvals shall be maintained in the Governing Council Secretariat.

## **E. CORPORATE SEAL**

Pursuant to By-law number 2, Section 3(a), the corporate seal is in the custody of the Secretary of the Governing Council. A record of its use is kept in the Governing Council Secretariat.

## **F. RECORDS**

Executed copies of documents are retained in the office that has been responsible for their approval or for the recommendation to Governing Council for their approval. In addition, copies of executed documents concerning property matters or with insurance or liability implications shall be sent to the Office of the Vice-President, Business Affairs for the attention of the Director of Risk Management and Insurance.

## **G. NON-SUBSTANTIVE UPDATES TO THIS RESOLUTION**

The President and the Secretary of the Governing Council may make non-substantive changes to this resolution to reflect: (a) changes to the titles of positions included in this resolution, (b) the deletion of positions included in this resolution and (c) the addition of positions directly comparable to those included in this resolution. Such revisions made under this provision shall be reported for information to the Executive Committee of the Governing Council at its next regular meeting.

April 29, 2004, amendments approved by Governing Council, effective October 15, 2004

February 9, 2006, addition of reference to Senior Legal Counsel

March 7, 2008, addition of Chief Real Estate Officer; replacement of Vice-President, Research and Associate Provost with Vice-President, Research; replacement of Assistant Vice-President, Technology Transfer with Assistant Vice-President, Research

November 17, 2008, addition of Chief Information Officer

[Approval of Contracts Flowchart](#)

[Contract Review Checklist](#)

[Checklist for Purchase of Goods and Services Non P-Card - \\$5,000 to \\$25,000](#)

[Checklist for Sales of Goods and Services](#)

[Checklist for 2018 Offers of Employment](#)

[Checklist for 2018 Educational Placements](#)

[Checklist for 2018 Research Contracts and Proposals](#)

[Checklist for 2018 Settlements of Legal Claims, Grievances and Complaints](#)