
Signing Authority Policy

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Policy Statement

BCIT's activities are conducted in a manner that provides sound financial accountability and control over public funds entrusted to BCIT in accordance with applicable policies, laws, and regulations. This includes a framework to outline the duties and responsibilities of those authorized to commit BCIT to expenditures or to execute contracts.

Where practical and prudent, BCIT conducts its business dealings through legally binding contractual agreements. Before entering such contracts BCIT ensures:

- the parties can meet the obligations set out in the terms of the document
- appropriate levels of review and approval are obtained
- proper documentation of the process
- expenditures are approved by officials with a delegated level of authority appropriate to the expenditure amount
- expenditures are within budgetary and contractual limits
- the contracts and expenditures are in accordance with applicable laws, regulations, and BCIT policies and procedures

Purpose of Policy

The purposes of this Policy are to establish the framework for the administration of Signing Authority throughout BCIT, and to ensure:

- the two types of Signing Authority ("Contract" and "Spend") are clearly differentiated
 - Contract Authority – the authority to execute Contracts on behalf of BCIT
 - Spend Authority – the authority to approve Expenditures of BCIT funds that are valid and necessary for the business of BCIT
- the responsibilities and duties of those with Signing Authority are clearly communicated and understood
- Authorities are clearly assigned and properly approved

Who This Policy Applies To

This Policy applies to the Board of Governors and BCIT employees.

Scope

This Policy assigns the ability to execute all Contracts, with the exception of employment contracts, and approve financial obligations and Expenditures made on behalf of BCIT.

This Policy replaces Policy 2501, Contracts.

Table of Contents

Related Documents	2
Definitions	2
Guiding Principles	3
Duties & Responsibilities	4
Associated Procedures	5
Amendment History	5
Scheduled Review Date	5
Schedule A	6
Schedule B	11

Related Documents and Legislation

Provincial Legislation

College and Institute Act, RSBC 1996, c 52

Budget Transparency and Accountability Act, SBC 2000, c 23

BCIT Policies and Procedures

1200, Fraud

1500, Code of Conduct

2003, Purchasing

2005, Travel and Professional Development Expense Reimbursement

2020, Restricted Funds

5801, Educational Affiliations

Other

BCIT Board of Governors Manual

Definitions

The following definitions apply to this Policy and associated procedures.

Allocated Spend Limit: the maximum amount per Single Transaction that an Employee with Spend Authority can approve.

Annual Budget: the annual budget approved by the Board of Governors for Expenditures.

BCIT Standard Contract Template: a contract template created, managed, and regularly reviewed by Corporate Services.

BCIT Standard Terms and Conditions: a document or set of documents created, managed, and regularly reviewed by Corporate Services.

Board of Governors: refers to the BCIT Board of Governors.

Budget: the amount of funds allocated to functional areas such as Board of Governors approved

business cases, Annual Budget items allocated by the President, and restricted funds.

CFO: the Chief Financial Officer and Vice-President, Administration.

Contract: a written agreement between two or more parties creating legally enforceable obligations.

Contract Authority: the authority to execute Contracts on behalf of BCIT. It is distinct from Spend Authority.

Contract Dollar Amount: the total dollar value of the Contract for the entire term of the Contract, irrespective of any splitting or segmenting of its costs.

Contracts Manager: the person within Corporate Services designated by the CFO to oversee Contracts Administration and having the role of Mandatory Reviewer for certain Contracts.

Employee: means a BCIT employee.

Executive Committee Member: means all Vice-Presidents who report directly to the President.

Expenditure: a payment or an obligation to pay funds on behalf of BCIT.

Expenditure Contract: a binding Contract between BCIT and another entity that defines how BCIT funds are expended for the provision of required goods and services.

Mandatory Reviewer: the BCIT personnel authorized to review a Contract.

Purchase Order: a type of contract issued to vendors of goods or services by the Purchasing Department.

Purchase Requisition: a digital form sent to Purchasing using BCIT's Millennium software system for the acquisition of required goods, services, and equipment (typically used for Expenditure Contracts).

Revenue Contract: a Contract, including donation and various other contracts, between BCIT and another entity that defines the terms of service and what funds will be paid to BCIT.

Significant Contract: a Contract that may have a substantial impact or pose extraordinary risk to BCIT and includes Contracts that are precedent-setting, involve sensitive issues, have the potential to harm BCIT's reputation, and any other agreements that the BCIT Board of Governors requests to review and approve.

Signing Authority: the authority, encompassing Contract Authority and Spend Authority, delegated to persons within BCIT by virtue of their position.

Single Transaction: the Purchase Requisition or invoice value before applicable taxes.

Spend Authority: is the authority to approve Expenditures. It is distinct from Contract Authority.

Temporarily: a limited period, no longer than six months, with known start and end dates.

Guiding Principles

1. BCIT has an obligation to establish a comprehensive system of controls over all legal and financial commitments, thereby ensuring the ongoing operational effectiveness of BCIT.
2. The framework is designed to balance the needs of operational effectiveness and risk management.
3. To the extent possible, Contract Authority and Spend Authority are each assigned to match decision making and accountability to the organizational level closest to the operational impact of those decisions.

4. Only BCIT Employees and Board of Governors members can have Signing Authority.
5. Contractual agreements and Expenditures must not be made unless they are approved in accordance with this Policy and its associated procedures.
6. Expenditures are expected to be within the approved Budget.
7. Established Signing Authority Limits cannot be bypassed by altering or subdividing Purchase Requisitions/Purchase Orders, payments, invoices, or contracts into smaller amounts or by similar means.
8. Expenditures must comply with all BCIT policies, in particular Policy 2003, Purchasing, and Policy 2005, Travel and Professional Development Expense Reimbursement.
9. Contract Value is the total before tax monetary value of the contract over the full term including optional extensions.
10. Educational affiliation and articulation agreements (revenue or non-monetary) must comply with the *College and Institute Act* and BCIT policies, in particular Policy 5801, Educational Affiliation.

Duties and Responsibilities

Board of Governors

The Board of Governors is responsible for overseeing the management of BCIT and its resources. The Board delegates certain powers and duties, including Signing Authority, to certain Employees, including the President, to manage BCIT's day-to-day operations in accordance with the *College and Institute Act* and this Policy. The Board of Governors has approved this Policy to create the framework and procedures for assignment of Signing Authority to Employees.

The Board of Governors allocates Signing Authority, comprised of both Contract Authority and Spend Authority to the President as set out in **Schedules A and B** to this Policy. Furthermore, the Board of Governors allocates Contract Authority to certain employees as set out in **Schedule A** of this Policy.

President

The President has Signing Authority, comprised of Contract Authority and Spend Authority, to execute Contracts on behalf of BCIT and to approve Expenditures necessary to conduct BCIT business, in accordance with the approved Budget and BCIT Policies and Procedures.

Upon obtaining approval of a Budget by the Board of Governors, the President allocates the Budget to certain functional areas and confers Spend Authority to the Executive Committee Members.

CONTRACT AUTHORITY

Employee

The dollar limits and types of Contracts that a specified Employee is authorized to enter and to bind BCIT are set out in **Schedule A** to this Policy.

No person may sign a Contract or any other document that creates an obligation for or affiliation with BCIT unless that person has Contract Authority in accordance with **Schedule A** of this Policy.

An Employee with Contract Authority must ensure that Contracts are reviewed and approved in accordance with Procedure 2502-PR1, Contract Authority Review Procedures prior to Contract execution.

The CFO must be notified prior to the Employee approving any Contract, regardless of dollar amount,

that has an unusually high risk-factor (including potential fraud), or that could bring BCIT under public scrutiny or involves controversial matters.

Contract Authority assigned to an Employee can be Temporarily delegated in accordance with the Signing Authority Delegation Procedures.

SPEND AUTHORITY

Executive Committee Member

The President and Executive Committee Members of BCIT may assign Spend Authority to certain Employees, allowing them to approve Expenditures in their functional area up to the assigned Allocated Spend Limit.

On an exceptional basis and with a valid business reason, the President may assign to an Employee a higher Allocated Spend Limit than set out in **Schedule B** to this Policy (but not to exceed the Spend Dollar Amount Limit assigned to the CFO).

Employees

Before approving an Expenditure, the Employee with Spend Authority must ensure the Expenditure:

- is appropriate, necessary, and fairly valued
- is within the functional scope assigned to the Employee
- for each single transaction does not exceed the Allocated Spend Limit
- does not exceed the approved Budget or, in the case of restricted funds, does not exceed the amount of restricted funding available
- complies with applicable BCIT policies and procedures
- is consistent with external funding, including donor or contributor terms and conditions, if applicable

The CFO must be notified before the Employee approves any Expenditure, regardless of value, with an unusually high risk-factor or that could bring the activities of BCIT under public scrutiny or involves controversial matters or potential fraud regardless of the dollar amount.

Spend Authority can be Temporarily delegated in accordance with the Signing Authority Delegation Procedures.

Procedures Associated with This Policy

Procedure 2502-PR1, Contract Authority Review Procedures

Procedure 2502-PR2, Spend Authority Procedures

Procedure 2502-PR3, Signing Authority Delegation Procedures

See also: [BCIT – Signing Authority Video](#)

Amendment History

		<u>Approval Date</u>	<u>Status</u>
Created:	Policy 2502 version 1	2023 Dec 05	In Force

Scheduled Review Date

2026 Dec 05

Schedule A – Contract Authority Limits

Contract Type

Contracts are designated in four categories: Expenditure, Revenue, Specialty/Non-Monetary, and Significant. Where a Contract is not in one of the categories above, the Contract will be sent to the Contracts Manager, who will be the Mandatory Reviewer, and the CFO or President will be the Contract Authority.

1. Expenditure Contracts

A Contract between BCIT and another entity that defines how BCIT funds are expended for the provision of required goods, services, or equipment. There are two categories: general expenditure and Capital Construction.

a) Expenditure Contracts/Purchase Orders

An expenditure contract, which in most cases takes the form of a Purchase Order, is a Contract between BCIT and another entity that defines conditions for the provision of required goods and services.

Expenditure Contracts		
Contract Dollar Amount	Mandatory Reviewer	Contract Authority
Over \$1,000,000	CFO, and Initiating Vice-President, and Director, Corporate Services	Board of Governors*, and President
Up to \$1,000,000	CFO, and Director, Corporate Services	President
Up to \$500,000	Director, Corporate Services, and Associate Director, Strategic Procurement	CFO
Up to \$250,000	Manager, Strategic Procurement	Director, Corporate Services, or Associate Director, Strategic Procurement
Up to \$75,000	Senior Buyer	Manager, Strategic Procurement
<p>Purchase Orders must only be issued after a Purchase Requisition (PR) has been prepared and approved pursuant to relevant purchasing policies and procedures.</p> <p>* The Board of Governors must approve all Contracts over \$1,000,000. Upon written approval by the Board of Governors, the President may sign the contractual document.</p>		

b) Capital Construction Contracts

A Capital Construction Contract is an Expenditure Contract related to the construction, renewal, renovation, restoration, and replacement of building structures and other physical infrastructure, and any parts thereof. This includes related contracts for professional consulting, project delivery, and trade contractor services.

Capital Construction and Development Contracts		
Contract Dollar Amount	Mandatory Reviewer	Contract Authority
Over \$3,000,000	CFO, and Associate Vice-President, Campus Planning and Facilities (CPF)	Board of Governors*, and President
Up to \$3,000,000	Associate Vice-President, CPF, and Director, Corporate Services	President, and CFO
Up to \$1,500,000	Associate Director, Strategic Procurement	CFO, and Director, Corporate Services
Up to \$500,000	Associate Director, Strategic Procurement	Director, CPF, and Director, Corporate Services
Up to \$250,000	Manager, Strategic Procurement	Associate Director, Strategic Procurement
* The Board of Governors must approve all Contracts over \$3,000,000. Upon written approval by the Board of Governors, the President may sign the contractual document.		

2. Revenue Contracts

A Contract between BCIT and another entity that defines the terms of service and what funds will be paid to BCIT. There are four categories of revenue contracts: General Revenue Contract, BCIT Foundation Contribution Agreements, Research Contracts and Property Leases.

a) General Revenue Contract

Revenue Contracts**		
Contract Dollar Amount	Mandatory Reviewer	Contract Authority
Over \$1,000,000	CFO, and Director, Corporate Services	Board of Governors*, and President
Up to \$1,000,000	Director, Corporate Services, and Initiating Dean/Director	President, and CFO
Up to \$500,000	Director, Corporate Services, and Contracts Manager	CFO, and Initiating Vice-President
Up to \$250,000	Contracts Manager	Director, Corporate Services, and Initiating Dean/Director
Up to \$50,000	Contracts Manager	Initiating Associate Dean/Director
<p>* The Board of Governors must approve all Contracts over \$1,000,000. Upon written approval by the Board of Governors, the President may sign the contractual document.</p> <p>**Contracts under \$5,000 do not require review by the Contracts Manager if they contain Standard BCIT Terms and Conditions with no modifications or additions.</p>		

b) BCIT Foundation Contribution Agreements

BCIT Foundation Contribution Agreements are Contracts with outside entities who donate funding or gifts-in-kind to the BCIT Foundation

BCIT Foundation Contribution Agreements**		
Contract Dollar Amount	Mandatory Reviewer	Contract Authority
Over \$3,000,000	CFO, and Vice-President, External, and Director Corporate Services	Board of Governors*, and President
Up to \$3,000,000	Executive Director, Advancement, and Director, Corporate Services	Vice-President, External, and CFO
Up to \$1,000,000	Contracts Manager	Executive Director, BCIT Foundation
Up to \$250,000	Contracts Manager	Associate Director, Development
<p>*The Board of Governors must approve all BCIT Foundation Contribution Agreements over \$3,000,000. Upon written approval by the Board of Governors, the President may sign the contractual document.</p> <p>**Contributions under \$10,000 that do not create a special obligation of BCIT (such as naming rights) do not require a contractual document.</p>		

c) Research Contracts

Research Contracts are Revenue Contracts to fund research at BCIT.

Research Contracts		
Contract Dollar Amount	Mandatory Reviewer	Contract Authority
Over \$1,000,000	CFO, and Director, Corporate Services, and Initiating Vice-President	Board of Governors*, and President
Up to \$1,000,000	Initiating Dean/Director, and Contracts Manager	President, and CFO
Up to \$500,000	Director, Corporate Services, and Contracts Manager	CFO, and Initiating Vice-President
Up to \$50,000	Contracts Manager	Initiating Associate Dean/Director
* The Board of Governors must approve all Contracts over \$1,000,000. Upon written approval by the Board of Governors, the President may sign the contractual document.		

d) Property Leases

A Property Lease is a Revenue Contract where an external party leases BCIT property.

Property Leases		
Size of Leased Property	Mandatory Reviewer	Contract Authority
Over 10,000 sq ft.	CFO, and Director, Corporate Services	Board of Governors*, and President
Max 10-year term Covenant/Financial Review Market Competitive rate Over 10,000 sq ft.	Director, Finance, and Contracts Manager	CFO, and Director, Corporate Services
*The Board of Governors must approve all property leases over 10,000 sq ft. Upon written approval by the Board of Governors, the President may sign the contractual document.		

3. Specialty/Non-monetary Contracts

A Contract that falls under various categories as listed below. These contracts are typically non-monetary in nature.

Specialty/Non-monetary Contracts		
Specialty Contract	Mandatory Reviewer	Contract Authority
Non-Disclosure Agreements	Contracts Manager	Initiating Dean/Director
Workplace Education Agreements	Contracts Manager	Initiating Dean/Director
Memorandum of Understanding (MoU)	Contracts Manager	Initiating Dean/Director
Letters of Intent	Contracts Manager	Initiating Dean/Director
Articulation Agreements	Contracts Manager, and Registrar, and Dean of Academic Planning and Quality Assurance	Provost and Vice-President, Academic
Educational Affiliation Agreements	Contracts Manager, and Registrar, and Dean of Academic Planning and Quality Assurance	Provost and Vice-President, Academic
Education Affiliation Agreements MoU	Contracts Manager, and Registrar, and Dean of Academic Planning and Quality Assurance	Provost and Vice-President, Academic

4. Significant Contracts

For all Significant Contracts, the CFO, and President are the Mandatory Reviewer, supported by the Contracts Manager, and the Board of Governors is the Contract Authority. Upon written approval by the Board of Governors, the President may sign the contractual document.

A Significant Contract may have a substantial impact or pose extraordinary risk to BCIT and includes Contracts that are precedent-setting, involve sensitive issues, have the potential to harm BCIT's reputation, and any other agreements that the Board of Governors requests to review and approve, such as:

- Agency agreements for activities in other countries.
- Agreements where BCIT is entering into a joint venture, partnership or similar relationship with another institution or private company (outside of Canada) that presents additional risk.
- Agreements related to licensing, sale, purchase, or disposition of BCIT real property, technology, or intellectual property.

Schedule B – Allocated Spend Limit Table

Employees granted Spend Authority can authorize Expenditures for single transactions up to the Spend Dollar Limits below, unless otherwise approved by the Board of Governors. Single transactions exceeding an individual's Authority require the supervisor's approval.

Expenditures (except Capital Construction and Development)	
Spend Dollar Limit	Position
Over \$1,000,000	Board of Governors
Up to \$1,000,000	President
Up to \$600,000	CFO
Up to \$400,000	Vice-President
Up to \$300,000	Associate Vice-President
Up to \$100,000	Dean/Director*
Up to \$50,000	Associate Dean/Associate Director
Up to \$25,000	Manager
Up to \$5,000	Foreman/Program Head/Supervisor/Coordinator

**Directors includes Executive Directors, the Registrar, and the Financial Controller*

Capital Construction and Development Expenditures (applies only to Capital Planning and Facilities Positions)	
Spend Dollar Limit	Position
Over \$3,000,000	Board of Governors
Up to \$3,000,000	President
Up to \$1,500,000	CFO
Up to \$1,000,000	Associate Vice-President
Up to \$500,000	Director
Up to \$250,000	Associate Director/Senior Project Manager
Up to \$50,000	Project Manager