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Policy Title: 4.4 Contract Management

Section: 4.0 Other

Last Approved: January 2020

BACKGROUND

To ensure that contractual arrangements are conducted in a manner that encourages transparency, fairness, clear accountability and results in the best value for the Association by managing resources, contractual risk and ensure compliance with applicable laws, regulations, and rules governing contracting processes and standards.

APPLICATION

The application of this policy is to all contracts, amendments, or renewals except employment contracts and applies to all staff involved in contract initiation, administration, and management.

DEFINITION

For income tax purposes, a gift or donation of property is defined as a voluntary transfer of property without any expectation of benefit accruing to the donor or anyone associated with the donor. The scope of this policy includes such things as donations of money and/or goods.

Sponsorship is defined as a mutually beneficial exchange arranged in advance whereby the sponsor receives value in return for cash or goods- or services-in-kind provided to the Association. As a result of sponsorship, the requestor obtains support for a specified activity, and the sponsor receives acknowledgement in return for cash and/or products and services-in-kind.

POLICY STATEMENT

1. Contract Initiation
 - 1.1. Contracts are developed in accordance with the following conditions:
 - 1.1.1. Return on investment – through gain in efficiency across the association as well as within individual departments
 - 1.1.2. Appropriate – the Contract is consistent with the Association’s strategic plan, annual budget, and supports the Association’s mandate
 - 1.1.3. Risk and liabilities – the Contract is operationally feasible and it is fiscally responsible to enter into the Contract
 - 1.1.4. Conflict of interest – staff must not engage in any activity that may create or appear to create a conflict of interest
2. Contract Preparation
 - 2.1. Department staff negotiates with external parties as required.
 - 2.2. All Contracts entered into on behalf of the Association must be made in writing.
 - 2.3. Contracts shall be developed using the SSBA template or be otherwise legally reviewed.

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3. Review
 - 3.1. Legal review is undertaken as required
 - 3.2. Contracts involving unusual or significant risk exposure (financial reputational or otherwise) precedent-setting issues or controversial matters, or which might bring the Association under membership scrutiny, regardless of value shall be brought to the Executive Director's attention.
 - 3.3. A listing of all contracts that exceed 12 months shall be provided to the Executive Director twice a year.
 - 3.4. All contracts exceeding \$25,000 requires Executive approval.
4. Contract Execution/Approvals
 - 4.1. Only a person who is assigned the authority to bind the Association contractually may sign the Contract.
 - 4.2. Amendments or renewals to contracts shall be approved in the same manner as the original contract.
5. Payments
 - 5.1. Payments made by the Association to third parties in accordance with the terms of a Contract shall take place only when a Contract has been fully executed and is in effect.
 - 5.2. All payments will be completed in accordance with the Association's Accounts Payable policy.
6. Contract Performance Management
 - 6.1. Performance shall be monitored, at minimum annually, from formation to close by the Department.
 - 6.2. If the contract must be terminated for non-performance or any other reason, the Executive Director or Director of Corporate Services must be notified immediately. Measures to avoid or reduce any risk to the Association shall be taken.
7. Contract Closeout
 - 7.1. Once the contract is complete, the Department is responsible for any reporting, payment requisitions, and ensuring all deliverables have been received.
8. Confidentiality
 - 8.1. Executive and staff members involved in the Contract Management process must maintain confidentiality and not disclose proprietary information.
9. Audit and Records Retention
 - 9.1. A copy of all contractual agreements shall be provided to Corporate Services.
 - 9.2. Signed contractual agreements and all supporting documentation must be maintained in accordance with the SSBA's Records Retention Policy.

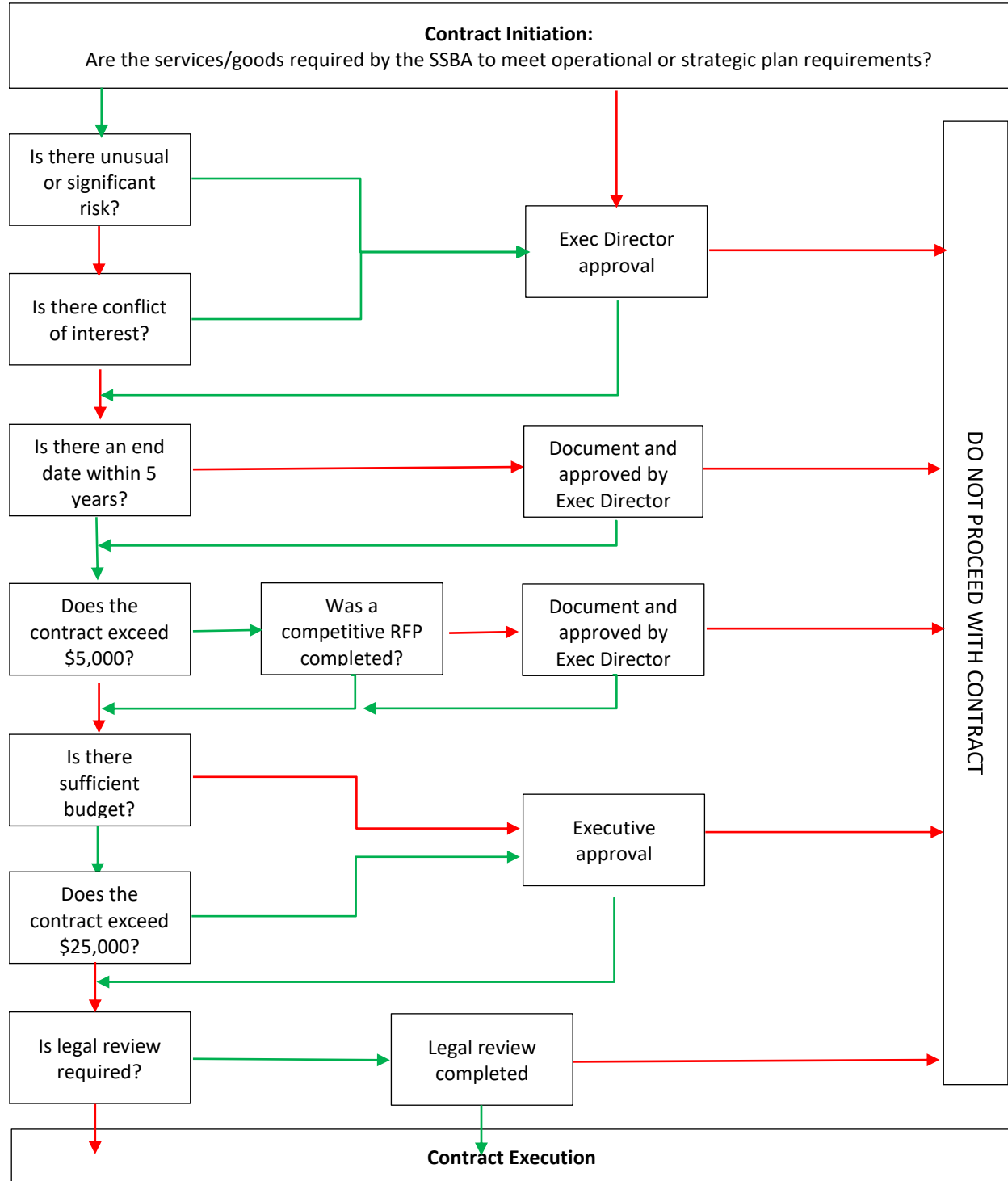
REFERENCES

Financial Policy 1.3 – Financial Signing Authority

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CONTRACT MANAGEMENT POLICY

APPENDIX 1 – FLOWCHART



Green Arrows = YES; Red Arrows = NO