

# Contract Management Policy

**Policy Type:** Corporate

**Policy Owner:** Vice President, Finance and Administration, and Applied Research

**Approval Date:** September 2, 2025

**Replaces:** Version 2019

**Initial Year of Issue:** 2019

**Corresponding Procedure:** [Contract Management Operating Procedure](#)

---

## Purpose

To establish a framework for the management and administration of all contracts executed on behalf of Cambrian College (“the College”). This framework is designed to promote transparency, fairness, and accountability in all contractual arrangements, while securing the best value for the College. The policy further seeks to safeguard College resources, mitigate contractual risks, and ensure compliance with all applicable laws, regulations, and standards governing contracting processes.

## Scope

This policy applies to all College employees who are involved in the initiation, negotiation, administration, management, extension, or renewal of contracts. Employment agreements are an exception to this policy.

## Definitions

**Amendments:** changes to the original contract, within the period of the active contract for the purpose of adding, deleting or modifying terms, conditions or sections of the agreement. Contract amendments are not used for changes to the scope of work.

**Authorized Signing Authority:** a representative of the College, appointed by the Board of Governors, with the power to commit the College to binding agreements and sign

contracts on behalf of the College. An Authorized Signing Authority may also be referred to as legal signing authority, binding signing authority, and designated signing authority.

**Change order:** changes to the original scope of work of a contract. This includes additions, deletions or modifications to the scope of work. These changes may result in an increase or reduction to the original value of the contract.

**Conflict of interest:** a set of circumstances that creates a risk that professional judgement or actions regarding the College will be unduly influenced by an external interest.

**Contract:** any document, or other evidence, of an intention to establish a binding legal relationship between the College and one or more third parties. This includes creating an obligation, receipt of an asset, memorandums of understanding, or sharing of information for the College.

**Contract administration:** a term used to describe the functions that are performed after the parties have signed the contract. Contract administration activities include monitoring of progress/performance, inspection and acceptance, quality assurance, contract amendments or change orders, negotiations, contract closeout, and payments.

**Contract administrator:** a college administrator who is responsible for the proper adherence to all contract terms and conditions.

**Contract management:** the set of activities required to properly manage contractual commitments to and from third parties and includes the management of pre-contract diligence, negotiation, and implementation activities. The intent of this set of activities is to maximize operational and financial performance at an organization, all while reducing risk.

**Renewal:** an extension of an existing contract or a new contract entered into at the completion of the term of an original or renewed contract.

**Responsibility Centre:** the department that oversees the particular contract type in their respective areas.

## Policy Statements

### 1. General Contractual Requirements

- 1.1 Contracts are developed in accordance with the following conditions:
  - a. Return on investment: through gains in efficiency across the entire business and within individual departments involved in the contracting process.
  - b. Appropriate: the contract is consistent with the College's strategic plan, annual budget, and supports the College's mandate.
  - c. Risk and liabilities: the contract is operationally feasible and it is fiscally responsible to enter into the contract.
  - d. Conflict of interest: Contract Administrators must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.
- 1.2 All contracts entered into on behalf of the College must be made in writing and include the College's full legal name: *"Cambrian College of Applied Arts and Technology"*.
- 1.3 Procurement contracts must comply with the College's [Procurement Policy](#).
- 1.4 All contracts must use a College-approved template or undergo review by the Procurement and Contract Management Department.
- 1.5 All activities covered under this policy must be carried out in accordance with the [Contract Management Operating Procedure](#).

### 2. Administrative Review

- 2.1 All contracts must undergo an administrative review to ensure compliance with legal, financial, and institutional requirements.

### 3. Contract Approvals

- 3.1. Contracts must be signed only by individuals with the authority to bind the College contractually, as outlined in the [Approval Authority Schedule](#).

- 3.2. Individuals not authorized to bind the College, and who enter into an agreement may be subject to discipline and may be held personally liable for any indebtedness that is ultimately held to be owed to the other contracting party.
- 3.3. Contract amendments and change orders must follow the same approval requirements as original contracts.

#### **4. Contract Performance Management**

- 4.1 Each contract must be actively managed throughout its lifecycle to ensure obligations are met, risks are addressed, and disputes are handled appropriately.

#### **5. Contract Closeout**

- 5.1 All contracts must be formally closed once complete, ensuring obligations are fulfilled and records finalized.

#### **6. Confidentiality**

- 6.1 Cambrian College employees involved in the contract management process must maintain confidentiality and not disclose proprietary information.

#### **7. Audit and Records Retention**

- 7.1 The College will retain contracts and supporting documentation in accordance with the College's Records Retention Policy.

### **Responsibilities and Accountability**

**Vice President, Finance and Administration, and Applied Research** is responsible for:

- The overall accountability for the contract management policy and procedure.

**Director, Financial Services** is responsible for:

- Monitoring compliance and implementation of this policy and its procedure and updating as required.
- Overseeing the contract management process.

- Approving contract templates and ensuring that terms are in the best interests of the College.
- Advising with regards to insurance and risk considerations.
- Seeking legal advice when required.

**Responsibility Centre** is responsible for:

- Acting as the primary point of contact for departmental contract inquiries and requests by liaising with the department and others as necessary.
- Initiating the development and review of all new and existing contracts.
- Reviewing all contract provisions and ensuring that they are in the best interests of the College and negotiating the terms and conditions with external parties as required.
- Advising on contractual concerns along with input from the Contract Administrator and approval authorities.
- Facilitating the signing of the contract.
- Requesting certificates of insurance from the contracting parties, if required.
- Completing records retention and tracking requirements.

**Contract Administrator** is responsible for:

- Managing and documenting contractor performance and any performance issues that must be addressed.
- Managing disputes with contractors throughout the life of the contract.
- Retaining appropriate records as per the College's Records Retention Policy.
- Updating the Responsibility Centre as required.

**Procurement and Contract Management** is responsible for:

- Reviewing contracts that do not utilize a college-approved template.

**Finance** is responsible for:

- Reviewing monetary contracts for:
  - Budget implications

- Funding source
- Accounting implications
- Embedded derivatives
- Tax receipting
- Credit risk

**Authorized Signing Authority** is responsible for:

- Reviewing and approving contracts within their delegated approval levels.
- Attesting to the following:
  - The College is able to meet its obligations within the terms of the contract and that the contractor(s) can reasonably meet the obligations.
  - The contract complies with the relevant legislation, collective agreements, and College policies and procedures.
  - The College has sought and obtained the necessary government approvals, when required.
  - The financial and other benefits to, or liabilities of the College as a result of the contract have been considered and are reasonable.
  - The risks and liabilities presented by the contract have been addressed.
  - Insurance requirements have been addressed, and proof has been obtained.
  - The required legal review has been sought in accordance with this policy.

## **Procedures/Forms**

- [Contract Management Operating Procedure](#)

## **Related Policies**

- [Approval Authority Schedule Policy](#)
- [Conflict of Interest Policy](#)
- [Enterprise Risk Management Policy](#)
- [Internal Privacy Policy](#)
- [Procurement Policy](#)

- [Records Retention Policy](#)
- [Travel, Meal, and Hospitality Expenses Policy](#)

## References

- [Accessibility for Ontarians with Disabilities Act, 2005 \(AODA\)](#)
- [Broader Public Sector Accountability Act, 2010](#)
- [Canadian Free Trade Agreement \(CFTA\)](#)
- [Comprehensive Economic and Trade Agreement \(CETA\)](#)
- [Construction Act RSO 1990](#)
- [Financial Administration Act](#)
- [Freedom of Information and Protection of Privacy Act \(FIPPA\)](#)
- [Ministry of Colleges, Universities, Research Excellence and Security – Minister's Binding Policy Directive: Governance and Accountability Framework](#)
- [Ministry of Government and Consumer Services' Broader Public Sector Procurement Directive, issued by the Management Board of Cabinet](#)
- [Ontario-Quebec Trade and Cooperation Agreement \(OQTCA\)](#)
- [Sale of Goods Act](#)