

CONTRACT MANAGEMENT

This document is the parent policy for any College procedures. Questions regarding this policy are to be directed to the identified Policy Owner.

Category:	B. Financial / Administrative
Policy Number:	B30
Approval Date:	April 15, 2021
Effective Date:	June 22, 2021
Policy Owner:	Chief Financial Officer

Objective:	To provide a clear and standardized approach to managing contractual agreements throughout their lifecycle including initiating, evaluating and negotiating, signing, implementing and closing contracts on behalf of Olds College.
Policy:	<p>A Contract/Agreement establishes a binding legal relationship between Olds College and one or more second parties. This includes Consultant Services Agreements, Construction Services Agreements, Letters of Intent or Memorandum of Understanding, Memorandum of Agreement, or Letter of Engagement.</p> <p>Contracts are entered into by Olds College on behalf of the Board of Governors of Olds College. The Board of Governors of Olds College is responsible for the management of the college and its resources and is accountable to the Government of Alberta through the Minister of Advanced Education.</p> <p>Olds College uses legally binding contractual agreements to document details of the agreements that it enters into.</p> <p>This policy applies to:</p> <ul style="list-style-type: none"> • all contractual agreements made on behalf of Olds College including contract amendments, renewals and extensions; • all Olds College employees that are involved in the initiation, evaluation and negotiation, signing, implementing and closing of contracts/agreements or who engage in activities covered by legally binding contractual agreements related to the conduct of the College's operations and business affairs; and • all Contracts and to all Olds College personnel that are involved in the sourcing and management of contracts for supplies, services and goods. <p>This policy does not apply to:</p>

- purchases in the normal course of business made under the B300 Supply of Goods and Services Policy without a contract document using a procurement card;
- direct purchase arrangement, and purchase orders that do not have a supplemental agreement ('contract') beyond the purchase order terms and conditions; and employment contracts.

The decision to enter into a contract agreement requires a balance between ensuring Olds College can achieve its goals through its relationships with external entities and managing the contractual risks that arise from these relationships. Olds College is committed to creating a culture that both empowers and holds leaders accountable to make decisions that balance the College's operational needs against any resulting contractual risks.

The need for contract management stems from Olds College Enterprise Risk Management Framework. Contracts commit college resources to the acquisition of inputs for core, strategic and ancillary college operations therefore, the main objective of contract management is to ensure contractual commitments and obligations are met in a prudent, best value for money manner and that associated risks are managed to within acceptable limits. Another objective is to provide a central point of insight into the type of contracts that the college is committed to, their value and the associated risks.

Definitions:

Contract/Agreement: Any document, or other evidence, of an intention to establish a binding legal relationship between Olds College and one or more second parties.

The Board of Governors of Olds College: The legal name of the Board of Governors of Olds College.

Employment Contract: A Contract that a person undertakes for a limited or unlimited term to do work for remuneration according to instructions and under direction of the employer and paid through the payroll system.

Contract Management: The set of activities required to properly manage contractual commitments to and from second parties and includes the management of pre-Contract diligence, negotiation, and implementation activities.

Related Information:

A25 Code of Conduct Policy
 A35 Enterprise Risk Management Policy
 B100 Signing Authority for Contractual Obligations Policy
 B300 Supply of Goods and Services Policy
 B31 Tangible Capital Assets Policy

Related Procedures:

B30 Contract Management Procedure

Review Period:

3 years

Revision History:

New: February 2017
 Revised: March 2021