



ADMINISTRATIVE PROCEDURE 108

SIGNING AUTHORITIES AND CONTROLS

Background

Carrying out the business of the Division, in an accountable and fiscally responsible manner, requires clear requirements for signing authority, control and responsibility related to employees making contractual and financial commitments on behalf of the Division, its Schools and Departments.

Procedures

1. The Superintendent has delegated signing authority on contractual and financial matters for the Division to the Assistant Superintendent - Business Services, recognizing that the Superintendent maintains authority as required.
2. A contract, agreement or letter signed by an employee approving or authorizing any action is legally binding and commits the Division to the conditions contained in the document. Employees signing documents or making commitments (including verbal commitments) on behalf of the Division (its Schools and Departments) are responsible for ensuring that all applicable Division Administrative Procedures are followed including, but not limited to, ensuring they have the necessary authority; and, if there are financial implications, that they have sufficient financial resources, approved for the purpose of the expenditure.
3. Only the Superintendent and the Assistant Superintendent - Business Services or designate shall sign contracts, agreements and other documents that contractually bind the Division. No employee has authority to agree (verbally or in writing) to any commitment or financial expenditure on behalf of the Division, its Schools or Departments, unless delegated authority through Division Administrative Procedure or otherwise by the Superintendent or Assistant Superintendent - Business Services.
4. The Assistant Superintendent - Business Services is responsible for approving signing and spending authority within specified limits, and for establishing necessary controls.
5. All employees, where applicable, shall comply with the standards and procedures outlined in the Division Administrative Procedures when signing documents and making financial commitments on behalf of the Division, its Schools and Departments. These requirements apply to all funds, including school-generated funds.
6. Employees (and School Council members, where applicable) shall not sign on behalf of the Division (its Schools and Departments) a binding contract, or agreement, cheque or other related document for which they or family members (near relatives) are the beneficiaries, or have financial gain, unless in limited situations where approved in advance in writing by the Assistant Superintendent - Business Services.

7. Employees are accountable to identify through the Division reporting structure, through their Principal, to the Assistant Superintendent - Business Services, financial transactions for themselves or subordinates that could be perceived as not being at arm's length, prior to entering into such transactions. This requirement is in place to prevent a real or perceived conflict of interest arising for the employee, and its implications for both the employee and the Division. Such transactions, where allowed, are subject to prior written approval of the Assistant Superintendent - Business Services.
8. Subject to Division Administrative Procedures, Principals, non-school based Department Heads and other Budget Managers are only authorized to initiate the acquisition of goods or services that have been provided for in approved budgets. This includes not only the amount of funds approved, but the approved purpose of the funds.
9. Unless specifically permitted by regulation or otherwise by the Assistant Superintendent - Business Services, signing authorities approved by the Assistant Superintendent - Business Services shall not be delegated to another individual.
10. Principals, and non-school based Department Heads (including Superintendents) are required to submit annually by September 30 to the Director - Financial Services or designate, a "Signing Authority Schedule". The employees who may be delegated the authority to sign documents making financial commitments on behalf of the Division, its Schools and Departments is dependent on the Budget Managers or employees delegated budget responsibility within the School or Department.
11. Each Principal and non-school based Department Head is responsible to maintain control of signing authorizations within their School or Department. Principals and non-school based Department Heads (including Superintendents) are responsible for ensuring that personnel reporting to them only sign documents or make financial commitments for which they are authorized based on Division Administrative Procedures and approved budgets.
12. The Division signing authority, unless authorized otherwise by the Assistant Superintendent - Business Services, is normally the last to sign agreements, leases and other related legal documents or contracts. All signatures and seals of the other party or parties to the agreement should be in place before documents are forwarded to the Assistant Superintendent - Business Services for execution. Notwithstanding, no document should be executed by the other party without the Assistant Superintendent - Business Services approving the authority to proceed and approving the recommended final draft agreement, where applicable. The accountable Superintendent, prior to commencing negotiations and bringing forward a contract or agreement for execution, shall receive prior approval to proceed from the Assistant Superintendent - Business Services.
13. Corporate Seal

Authority to use the Division's Corporate Seal is restricted to the Superintendent and the Assistant Superintendent - Business Services. The Corporate Seal is kept in the possession of the Assistant Superintendent - Business Services or delegate.

14. Property Tax Requisitions

Executing property tax requisitions is restricted to the Assistant Superintendent - Business Services or designate, subject to Board Policy and the School Act.

15. Grant Applications

Executing all grant applications (provincial, federal, philanthropic, etc.) by the Division, its Schools and Departments, is restricted to the Assistant Superintendent - Business Services or designate.

Where no cost (including ongoing operational costs and disposal costs) or no legal obligation is created for the Division, the Principal may sign School grant applications including those made by School Councils, subject to Division Administrative Procedures or other directives governing such aspects as the appropriateness of the grant activity.

If there is any legal or cost obligation to the Division, the School or School Council, a written recommendation is required to be made in advance by the applicable Principal or Department head to the Assistant Superintendent - Business Services, for approval consideration.

Non-school based employees shall not make grant applications, unless prior written approval is received by the Assistant Superintendent - Business Services upon written recommendation of the applicable Principal or Department Head.

16. Leases

Executing all leases on behalf of the Division, its Schools and Departments, is restricted to the Assistant Superintendent - Business Services or designate.

17. Banking

Executing all Division banking contracts is restricted to the Assistant Superintendent - Business Services or designate. For the purpose of School bank accounts (including School Council accounts), the authority is delegated by the Assistant Superintendent - Business Services to Principals.

The Director - Financial Services is delegated the authority to open Division bank accounts. Department Heads, on an exceptional basis, may be authorized by the Assistant Superintendent - Business Services to open a bank account. Prior written approval by the Assistant Superintendent - Business Services shall be required. Any Department making such a request shall only do so with the written recommendation of the respective Superintendent.

18. Borrowing and Loans

Authority to negotiate and execute documents for the purpose of borrowing is restricted to the Assistant Superintendent - Business Services, subject to Board Policy and the School Act.

No Division employee shall authorize loans to any person or body, utilizing Division funds, including school-generated funds.

19. Payments

The Director - Financial Services is accountable to ensure that appropriate controls and processes are in place so that all payments are made on a timely and accurate basis.

The Assistant Superintendent - Business Services has authority to determine whether controls in place are adequate, and to require additional controls, if necessary, in the opinion of the Assistant Superintendent - Business Services.

20. Cheque Signing

All cheques issued by the Division, its Schools and Departments, require two authorized signatures. All School (including School Council) cheques require two authorized manual signatures, one being that of the Principal.

The Assistant Superintendent - Business Services designates the Director - Financial Services as responsible for control of computerized, electronic, mechanical and manual signatures of Division cheques (including payroll cheques).

Use of computerized, electronic or mechanical means of signature is restricted to Division Cheque Signing Authority only. The use of any other computerized, electronic or mechanical means of signature, such as rubber stamps or electronic signatures, on any approval document for payment is prohibited for any cheques or other financial documents signed by any other Division signing authority including approved Department and School (including School Council) signing authorities.

Subject to the approval of the Assistant Superintendent - Business Services, the Director - Financial Services is accountable to ensure Division computerized, electronic or mechanical signatures are kept secured and, while in use, are under sufficient controls. Prior to the release of all Division cheques (including payroll cheques), written authorization of the Director - Financial Services or designate is required.

The Board Chair, Vice Chair are Board authorized signatories of the Division for all documents. The Designated Trustee is a Board Authorized signatory on all cheques and negotiable instruments.

On Division cheques, the computer-generated signatories are the Board Chair and Assistant Superintendent - Business Services.

21. Express and Off-Cycle Cheques

Where warranted under exceptional circumstances, the Assistant Superintendent - Business Services or, where delegated, the Director - Financial Services may authorize the production of Division express or off-cycle cheques (including payroll cheques and electronic fund transfers). Once authorized by the Director - Financial Services, a copy of the cheque register shall be provided promptly to the Assistant Superintendent - Business Services.

In the case of off-cycle payroll cheques and electronic funds transfers, a copy of the payroll cheque register and, in the case of electronic funds transfer, the Electronic Funds Transfer report shall be provided promptly both to the Assistant Superintendent - Business Services and the Deputy Superintendent – Leadership and Human Resources. The Director - Financial Services and the Deputy Superintendent - Leadership Services and Human Resources (the latter in the case of payroll cheques and payroll electronic funds transfers) are accountable to ensure that adequate controls are in place to minimize the necessity for express and off-cycle cheques. The Assistant Superintendent - Business Services has the authority to determine whether controls in place are adequate, and to require additional controls, if necessary in the opinion of the Assistant Superintendent - Business Services.

22. Credit or Charge Cards

Only the Assistant Superintendent - Business Services may approve Division employees or other individuals to have credit or charge cards in the name of the Division or any of its Schools. The Superintendent's approval shall be required for the Assistant Superintendent - Business Services to have a Division's credit or charge card.

Any approvals provided shall be in writing, and may be rescinded at the discretion of the Assistant Superintendent - Business Services or Superintendent.

The acquisition of Division Purchasing Cards is approved for authorized personnel, subject to the requirements outlined in the US Bank Purchasing Card Program, User's Guide.

23. Investments

Authority to invest Division funds (including school-generated funds and School Council funds) is governed by both the Trustees Act and the School Act and is the responsibility of the Assistant Superintendent - Business Services or designate. The Division (including its Schools and School Councils) shall only invest in Bankers Acceptances, Guaranteed Investment Certificates, Bearer Deposit Notes, and Term Deposits issued by the five major banks: Royal Bank, Canadian Imperial Bank of Commerce, Toronto Dominion Canada Trust, Bank of Montreal and Bank of Nova Scotia; or ATB Financial (Alberta Treasury Branches). The Assistant Superintendent - Business Services may consider approving other investments, on an exception basis, but only if the financial institution is a member of the Canadian Insurance Deposit Corporation (CIDC), or where the deposits are guaranteed by the Credit Union Deposit Guarantee Corporation, under the Alberta Credit Union Act. Prior written approval of the Assistant Superintendent - Business Services shall be required in these circumstances. The maximum term allowed for an investment is the greater of 1 year or 365 days.

24. Writing-Off Uncollectable Accounts

The Assistant Superintendent - Business Services is delegated by the Superintendent the authority to write-off uncollectable Division accounts, including uncollectable payroll over-payments and school accounts. The Assistant Superintendent - Business Services delegates to the Director - Financial Services the authority to write-off uncollectable accounts of \$25 or less after one year.

After two years, uncollectable accounts in the amount of more than \$25 may be approved for write-off by the Assistant Superintendent - Business Services, on the recommendation of the Director - Financial Services, based on a review of the circumstances (including controls in place to prevent similar future occurrences) and collection action having been undertaken. An account over two years old, deemed by the Assistant Superintendent - Business Services to be collectable in the future, is to be reserved in full and shall be maintained in the records pending future collection. If collection efforts were unsuccessful, or the account is deemed by the Assistant Superintendent - Business Services to be uncollectable, the Assistant Superintendent - Business Services may write-off the account. The Assistant Superintendent - Business Services may also write-off accounts deemed by the Assistant Superintendent - Business Services to be uncollectable, given extraordinary circumstances, prior to two years. Amounts written-off over \$1,000 shall also require written approval of the Superintendent.

25. Electronic Funds Transfers

Using electronic funds transfer as a method of payment to specific suppliers or other financial commitments, requires prior approval of the Assistant Superintendent - Business Services.

26. Requests for Payment

Division cheque requisitions are required to make all Division payments, except:

- invoiced goods or services,
- goods and services provided under a Division contract, including capital construction contracts,
- employee expense reimbursements,
- division Purchase Card payments,
- petty cash payments,
- employee pay, except for Express Cheques which shall require cheque requisitions,
- payment in lieu of transportation payments,
- professional growth payments, and
- other payments if determined by the Assistant Superintendent - Business Services.

All Division Requests for Payment require the signatures of the Principal or Department Head prior to forwarding to the Director - Financial Services/Accounting Department for payment.

The Superintendent's approval is only required when the requisitioner is the Assistant Superintendent - Business Services.

The Assistant Superintendent - Business Services's approval is required to authorize any payments to the Superintendent and Trustees.

Additionally, the Assistant Superintendent - Business Services's approval is required to authorize payments for purchases outside the approved procurement process outlined in procedure, including:

- honoraria, stipends, and Trustee per diems,
- services without an approved contract or purchase order,
- legal services,
- advances for travel expenses,
- all “rush” payment requests requiring cheques outside the regular cheque run cycle, or
- any other payments not considered to be within the normal course of business or approved budget amount or purpose.

27. Fixed Asset Purchases

All fixed asset purchases (\$5,000 or greater including un-recovered GST), regardless of the source of funds (including school-generated funds), shall require prior approval of the Assistant Superintendent - Business Services, unless where procedure allows otherwise, or where the Assistant Superintendent - Business Services has approved (in writing or by procedure) acquisition through the Construction and Maintenance Department.

28. Budget Transfers

Only the Assistant Superintendent - Business Services, or where delegated, the Director-Financial Services has the authority to approve budget transfers from one department budget to another, upon written request of the respective Principal or Department Head, in the required format. Principals, non-school based Department Heads or other Budget Managers may reallocate approved non-salary budget account codes to other non-salary budget account codes within their approved budgetary control. Such transfers are subject to expenditures being made only for the approved purpose of the budget provided. The use of non-salary budget codes for salary expenditures, or the use of salary budget codes for non-salary expenditures is not allowed.

29. Receipt of Goods or Services

Acknowledging the receipt of goods or services on behalf of the Division, its Schools and Departments, is an approval that initiates payment to the supplier of the good or service. Acknowledging receipt requires verifying that all goods and services contracted or invoiced have been received and meet the criteria outlined in the contract, purchase order or agreement. Principals or non-school based Department Heads may delegate the duty to receive goods or services on behalf of their School or Department; however, accountability remains with the Principal or Department Head.

30. Payroll

The Deputy Superintendent - Leadership Services and Human Resources is accountable to ensure that appropriate controls and processes are in place so that all payroll payments and statutory deductions are made on a timely and accurate basis. The Assistant Superintendent - Business Services has authority to determine whether controls in place are adequate, and to require additional controls, if necessary, in the opinion of the Assistant Superintendent - Business Services.

31. Payroll Advances

Only the Deputy Superintendent - Leadership Services and Human Resources is authorized to approve payroll advances.

Advances shall only be considered for extenuating circumstances. In no case, however, may a salary advance exceed an employee's accrued vacation pay credit. All requests made shall be through the respective Principal or Department Head in advance and in writing. Deputy Superintendent - Leadership Services and Human Resources approval shall be in writing and prior to any advance being given.

32. Vacation Payouts

Earned vacation leave shall not be paid out to employees without the written recommendation of the Deputy Superintendent - Leadership Services and Human Resources. Normally, approval will only be considered upon resignation, retirement, lay-off or termination. Individual employees and their supervisors shall manage vacation schedules to ensure that vacation time is taken at appropriate times, and that circumstances of vacation payout requests are limited only to extraordinary situations.

Management of vacation accrual is expected to avoid payment of unnecessary vacation pay at time of retirement. The Deputy Superintendent - Leadership Services and Human Resources is accountable to establish sufficient controls to manage vacation, and to ensure accrued vacation does not exceed acceptable limits, including no accrual of vacation carry-over exceeding five days per year to a maximum of 10 days (pro-rated based on employee's full-time equivalency). In the case where employees are covered under collective agreements, the terms of the collective agreement shall apply.

The Deputy Superintendent - Leadership Services and Human Resources may payout vacation time in extenuating circumstances. In no case, however, may a vacation payout reduce an employee's accrued vacation pay credit to less than 2 weeks.

33. Hiring and Staff Reclassifications

Authority to hire employees in accordance with approved budgets is delegated by the Superintendent to the Deputy Superintendent - Leadership Services and Human Resources. Any hiring outside approved and budgeted positions, employee upward reclassifications and employees appointed above the minimum step of salary range, require prior written approval by the Deputy Superintendent - Leadership Services and Human Resources. The Deputy Superintendent - Leadership Services and Human Resources shall ensure that controls are in place to ensure no employee is hired outside of the approved budget, collective agreement requirements, or hiring requirements for exempt staff.

Except for the Superintendent's contract, that requires the Board Chair's approval, all employment contracts shall require approval of the Deputy Superintendent - Leadership Services and Human Resources.

34. Partnership Agreements

The formation of “School” Partnership Agreements is delegated by the Superintendent to the Assistant Superintendent of Learning Services or designate. Executing/signing all partnership agreements on behalf of the Division and its Schools is restricted to the Superintendent, Assistant Superintendent - Business Services.

Forming or entering into “Division” Partnership Agreements (at the Division level) requires the prior approval of the Superintendent. Division Partnership Agreements shall only be signed by the Superintendent or Assistant Superintendent - Business Services, except in those circumstances determined by the Superintendent that require the signature of the Board Chair.

35. Conflicts with Administrative Procedures

Where a conflict exists or is created between this administrative procedure and another, the other will prevail.

References: School Act, Sec. 44, 60(2)(d) and 167-179
Trustees Act
Collective Agreements with ATA, CUPE
Administrative Procedure 408 – Conflict of Interest – Employees
Administrative Procedure 516 - Purchasing

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