

PROCEDURE TITLE	PROCEDURE REGARDING SECOND SIGNATURES ON CONTRACTS OF A VALUE GREATER THAN \$1,000,000
Executive Sponsor	Secretary-General
Initial Approval Date	May 1, 2018

Related Documents	The Policy on the Approval of Contracts and Designation of Signing Authority and related Appendices
--------------------------	---

PART I – PURPOSE AND SCOPE

The Policy on the Approval of Contracts and Designation of Signing Authority (Policy) outlines the conditions under which the Board of Governors has delegated its authority for the approval of contracts to signing officers.

The Policy identifies the University’ signing officers and their signing authority limits (section 23). It further establishes second signature requirements and conditions for contracts of a value greater than \$1 million (section 24), which require a second signature.

The purpose of this Procedure is to establish a framework of responsibility concerning second signature requirements for signing officers and delegates. The Procedure also outlines particular conditions related to procurement contracts (see Part II, item 5 below) and investment contracts and contracts related to borrowing (see Part II, item 6 below).

This Procedure is to be read in conjunction with the Policy and its appendices. All items identified in this Procedure shall have the meaning given to them in the Policy.

PART II – PROCEDURES FOR SECOND SIGNATURE REQUIREMENT FOR CONTRACTS VALUED OVER \$1 MILLION

1. A signing officer or a delegate shall seek a co-signatory for a contract of a value greater than \$1 million.
2. The co-signatory acts as a check and balance to the first signatory.
3. A co-signatory is responsible for reviewing a contract and jointly signing it with the first signatory, on behalf of the University.

4. For all contracts other than Procurement Contracts, Investment Contracts and Contracts related to Borrowing:

4.1 If the first signatory is a signing officer identified in section 23 of the Policy, the co-signatory is another signing officer identified in section 24 of the Policy.

4.2 If the first signatory is a delegate, a co-signatory may be one of the following:

- i. A delegate from another area of responsibility who has been authorized by the signing officer to sign a contract up to the value of the contract or higher. As a co-signatory, the delegate may sign contracts up to the maximum limit established pursuant to the delegation

or;

- ii. One of the signing officers listed in section 23 of the Policy. The co-signatory must come from a different area of responsibility to the first signatory and must have general knowledge of the subject matter of the contract. The co-signatories of delegates include:

CO-SIGNATORIES FOR CONTRACTS ABOVE \$1 MILLION	
2nd signature for contracts between \$1 million and \$2 million:	
1.	Secretary-General
2.	General Counsel
3.	Deputy-Provost
2nd signature for contracts between \$1 million and \$4 million:	
4.	Provost and Vice-Principal (Academic)
5.	Vice-Principals
2nd signature for contracts between \$1 million and \$6 million:	
6.	Principal and Vice-Chancellor
Contracts above \$ 6 million: N/A (designated by the Board of Governors)	

5. For Procurement Contracts:

Consistent with the Procurement Policy, procurement contracts are contracts entered into in order to acquire goods, services or construction works from an external, non-institutional source.

The following conditions apply to procurement contracts valued above \$1 million:

5.1 Procurement contracts valued above \$1 million will be subject to signature by the signing officer whose portfolio requires the University to enter into such a contract or his/her delegate. The requirement and condition for a second signature applies as outlined below:

5.1.1 If the first signatory is a signing officer identified in section 23 of the Policy, the co-signatory is another signing officer identified in section 24 of the Policy.

5.1.2 If the first signatory is a delegate who has been authorized to sign a contract by a signing officer pursuant to an established delegation, the co-signatory (second signatory) is the Vice-Principal (Administration and Finance).

6. For Investment Contracts and Contracts related to Borrowing:

6.1 Investment contracts valued above 1% and up to 2.5% of the total value of the McGill Investment Pool shall require a second signature, to be obtained from the Chief Investment Officer and Treasurer or from a position at a higher level of authority.

6.2 Pursuant to the borrowing limit established by the Board of Governors, signing officer(s) for contracts related to borrowing shall normally be designated by the Board of Governors. Otherwise, a second signature from the Chief Investment Officer and Treasurer or the Associate Vice-Principal (Financial Services) or from a position at a higher level of authority is required for contracts valued at \$30 million and above.

6.3 Contracts valued above \$3 million concerning short-term investments supporting regular Treasury operations shall require a second signature. The second signature is to be obtained from the Chief Investment Officer and Treasurer, or the Associate Vice-Principal (Financial Services), or from a position at a higher level of authority.