CODE CHANGES 2019:  
CONTRACTS

TO: Council  
FROM: Governance Committee  
March 2019

Amendment to create additional procedures for approving contracts.

Additions are indicated by bold italics. Deletions are indicated by striking through (like this).

SECTION I: GENERAL

Article 1. Authority and Interpretation of the Code

4. In this Code, unless the context otherwise requires:

“Privacy Officer” shall mean the permanent employee of the Society charged with ensuring that the Society complies with the British Columbia Personal Information Protection Act (PIPA);

SECTION IX B. FISCAL PROCEDURES

Article 9. Contracts

1. The term “contract” shall include binding agreements, memorandums of understanding, strategic partnerships, binding commitments, or any other business or legal arrangements intended to be enforceable by law. The term shall not include day-to-day commercial transactions or merchandise/food sales.

2. The Vice-President Finance, the Vice-President Administration, the Vice-President Academic and University Affairs, the Vice-President External Affairs, and the President are the only individuals who can bind the Society to a legal contract. The only exceptions to this provision are:

(a) that the Society’s managers and senior staff shall, pursuant to Bylaw 8(2), have signing authority with respect to their specific areas.

3. Except in accordance with paragraph 2 above, members of Constituencies and Clubs,
internal signing officers, and Society employees are not authorized to sign any contract on behalf of the Society. If such a non-authorized party signs a contract on behalf of the Society, that party, and not the Society, shall be responsible for the contract.

4. Contracts shall be either regular contracts or sponsorship contracts. The procedures for entering the Society into a sponsorship contract shall be outlined in an Internal Policy on sponsorship. Amendments to the policy may be approved by Council by a Two-thirds (2/3) Resolution in accordance with the provisions in Section II, Article 11 on Policies.

5. Regular Contracts:

If any individual or group wishes to enter the Society into a regular contract, the following protocol must be observed:

(a) the contract shall be submitted to the Vice-President Administration or the Vice-President Finance;

(b) the Vice-President Administration or the Vice-President Finance shall ensure that the contract is consistent with the Code and Bylaws of the Society;

(c) the Vice-President Administration or the Vice-President Finance shall determine if the contract is political or administrative, all contracts being administrative unless they result in:

(i) a visible limiting of choice for the members of the Society;
(ii) an exclusive relationship between the Society and the other party to the contract providing the other party with direct or indirect commercial access to the members of the Society;
(iii) a strategic or far-reaching agreement with the University;
(iv) an original agreement or new contract in excess of two (2) years in duration; or
(v) any other consequences that should reasonably be brought to Council’s attention.

(d) all administrative contracts shall be considered for approval by two Society signing officers and, if approved, signed by them within three (3) business days; and

(e) contracts shall be approved for Subsidiary Organizations and Resource Groups only if they are in good standing.

6. For contracts that do not originate with a Subsidiary Organization, the Vice-President Administration or the Vice-President Finance shall consult with the Privacy Officer to see if there are any privacy concerns associated with the contract. If thought necessary, the Privacy Officer may also be consulted on privacy concerns associated with contracts that originate with a Subsidiary Organization.
7. **For contracts that do not originate with a Subsidiary Organization, the Vice-President Administration or the Vice-President Finance shall consult with the Managing Director on the financial and legal implications of the contract, and the Managing Director may consult the Society’s lawyers if that is thought necessary. The Managing Director and the Society’s lawyers may also be consulted on the financial and legal implications of contracts that originate with a Subsidiary Organization if that is thought necessary.**

[and renumber]

6. Notwithstanding the provisions of this Article, contracts related to events at venues off-campus at which alcohol may be consumed shall be submitted to the Vice-President Administration or the Vice-President Finance no less than three (3) weeks in advance of the event. Upon submission of the contract, the Subsidiary Organization or Resource Group must also apply for event insurance at the Administration Office, to be paid for by the Subsidiary Organization or Resource Group.

7. The Operations Committee may approve standard administrative contracts for use throughout the Society’s operations, including but not limited to bookings agreements, employment contracts and contracts with suppliers. Such standard administrative contracts need not be reapproved by the Operations Committee each time they are used, provided that the purpose and content of the contract have not changed, other than to indicate specific dates, names of parties, and the level of monetary compensation or payment.

8. Any regular contract that is not administrative shall be considered political. Political contracts may only be approved by a Two-thirds (2/3) Resolution of Council.

9. When approving a political contract other than a lease, Council shall deliberate on the final draft of the contract, and shall not delegate final approval to any other individual or body. A lease that is determined to be a political contract must be brought to Council for approval in principle, but the final draft of such a lease need not be brought to Council.

10. If an existing contract is being renewed for a period of more than two (2) years but the renewed version of the contract would not otherwise be considered political, the renewed version shall be considered administrative and need not be brought to Council for approval; however, it must be submitted to Council for information purposes.

11. Contracts, including leases, that are changed in any meaningful way after Council has approved them must be resubmitted to Council for approval of those changes.

12. Notwithstanding the authority granted to the signing officers to approve administrative contracts, Council has the power, subject to paragraph 15 below, to approve or disapprove any contract.

13. At the request of three (3) voting members of Council, Council must strike an ad hoc Ethical Review Committee to examine any contract prior to approval. Any contract that
is to be reviewed by an Ethical Review Committee shall be considered political. The ad hoc Committee shall:

(a) produce a written report to Council on the ethics of all the parties with which the Society is to enter into agreement under the proposed contract;

(b) report back to Council in a timely fashion, usually by the next Council meeting, with a recommendation on whether or not to enter into the proposed contract;
(c) in all other ways conform to the provisions on Committees in Section V of the Code; and
(d) have such other duties as are assigned by Council.

14. Only one Ethical Review Committee may be struck for any contract.

15. Neither Council nor the signing officers shall refuse to approve a contract proposed by a Subsidiary Organization or Resource Group solely because of disagreement with the purpose or philosophy implicit in that contract. Notwithstanding this provision, approval may be refused if a contract is inconsistent with the Society’s Policies, Code or Bylaws or if the procedure required by this Article has not been followed. Such a refusal may be made by Council or, for administrative contracts, by a Resolution supported by at least three (3) of the Society signing officers at a meeting of the signing officers. In the case of a refusal by the signing officers, the decision to refuse to approve a contract may be appealed to Council.

16. *Once a contract has been approved and signed, it shall be sent to the Archives for preservation.*