

STATEMENT of POLICY and PROCEDURE			
Section	3.0 Operational	Original Effective Date	Nov. 27, 2006
Sub-Section	3.1 Financial	Date of Last Amendment	May 30, 2016
Subject	3.1.3 Contracts		
Topics	Financial Services		
	Other Contracts		
Attachments			
Reference	3.1.1 Financial: Signing Authority		

Policy:

The ESCC defines a contract as an agreement, enforced by law, which binds two or more parties to do or not to do some definite thing. Each contract entered into by ESCC should maximize the benefits of that agreement while at the same time protect ESCC’s good name and minimize ESCC’s financial risk.

Financial Services

The Council may contract an independent, professionally qualified person to handle bookkeeping and monthly financial records of the Council. The Contractor may be directed to maintain all bank accounts, administer payroll, supervise all financial transactions, monitor the budget and prepare any required financial reports

With regard to financial transactions, the Executive Director has authority for approving all transactions that fall within the scope of the board-approved budget. All transactions that fall outside of the scope of the board-approved budget will be presented in writing to the Board in advance of purchase for approval.

Other Contracts

The Board has discretionary power by motion to review any contracts and all contract proceedings. However, in the normal course of events, the following practices shall be standard.

Procedures:

1. Any new proposed contract which deviates from the contract template shall be referred to ESCC's solicitor for recommendation prior to submission to the Board for approval. In cases where time is of the essence, the Board may approve a contract subject to review by the solicitor. If the solicitor recommends the contract or recommends only technical changes, the Executive Director shall report the contract to the Board as action taken without further consideration by the Board. Where the solicitor suggests substantive amendments to or rejection of the contract, it shall be returned to the Board (or to the Executive and Finance Committee if the Board has given prior agreement to have this committee act on the Board's behalf in the matter) to resolve the matter(s) in question.
Explanatory Note: It is imperative that the Board be aware of the full implications where contracts imply a series of contracts and/or series of added costs within a single contract. At the earliest possible opportunity, the estimated full scale of the commitment, the cancellation costs, and the scheduling of commitments should be discussed by the Board.
2. The Executive Director may approve a contract for the renewal of continuing services where no new substantive agreements or conditions are involved for which there is an approved budget, without motion of the Board. Any contract renewals are to be reported to the board at the next regular meeting. The Executive Director may refer such items for decision of the Executive and Finance Committee, which may in turn act or defer to the Board.
3. Except at the Board's discretion, new contracts with a likely value in excess of five per cent of the yearly budget will be tendered. Three or more tenders will be sought. The Executive Director may, with Board approval, seek a sole supplier.