

Policy No. & Title: C103: REVENUE CONTRACT MANAGEMENT*Effective:* 2015-07-14*Next Review:* 2020-07-14*Policy Sponsor:* Vice-President, Finance and Administration*Approvals:* 2002-04-03/AC-05-01; 2013-08-27/SLC-12-17

1. PURPOSE

The purpose of this policy is:

- To establish principles related to the process of seeking new revenue opportunities,
- To apply consistent practices, with established roles and responsibilities, that strengthen internal controls and provide more effective management oversight, and
- To ensure that such arrangements are documented in a contract that captures the intent of the agreement and protects the interests of the College and the funder.

2. POLICY

The Policy Sponsor develops, maintains and implements standards and guidelines that achieve the purposes of this policy and that reflect best current financial management. They also align with the College mission, vision and strategic goals and reflect College values.

3. REFERENCES

College policy [C106: Purchasing](#)

4. ADDENDA

Standard 1: REVENUE CONTRACT FUNDAMENTALS

Guideline A: CONTRACT SPONSORSHIP AND APPROVAL

Guideline B: CONTRACT COORDINATION

Form 1: STANDARD COSTING WORKSHEET

Form 2: CONTRACT MANAGEMENT TRANSMITTAL FORM

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Policy No. & Title: C103: REVENUE CONTRACT MANAGEMENT

Addendum: **Standard 1: REVENUE CONTRACT FUNDAMENTALS**

Issued by: Vice-President, Finance and Administration

Effective: 2015-07-14

1. PURPOSE

The purpose of this document is to establish the standards that apply to the management of College revenue contracts, including:

- Principles related to the process of seeking new revenue opportunities,
- Consistent practices, with established roles and responsibilities, that strengthen internal controls and provide more effective management oversight, and
- Provisions to ensure that such arrangements and the intent of the agreement are documented in a contract that protects the interests of the College and the funder.

2. DEFINITIONS

Contract: An executed agreement that binds the College and a third party or third parties.

Contract value: Gross proceeds for the term of the contract or the proposal.

Funder: A third party that provides the financing for a project described in a proposal. The funder is often a government Ministry or agency, but may also include a private business or other organization.

Proposal: An authorized plan for a project that may lead to the development of a contract, if approved by the funder.

Proposal sponsor: The administrator responsible for developing a proposal and executing the terms of the contract.

Standard costing: A worksheet developed by Financial Services, based on the prior year's financial statements, and used in the development of proposals.

3. SCOPE

This policy applies only to opportunities that generate revenue. Proposals leading to the development of a contract are included within the scope of this policy, because both the proposal and the contract represent a commitment by the College.

This policy is aimed at business development activity. It does not apply to contracts related to expenditures; such contracts are covered by policy C106: Purchasing and are managed and co-ordinated by the Purchasing and Payment Services department. In addition, it does not apply to annual educational and training activity based on enrolment activity funded by existing Ministry grants.

4. PRINCIPLES AND STANDARDS

- 4.1. Any staff member may identify new revenue opportunities at any time, but proposals and contracts must be coordinated and authorized in accordance with Guideline A: CONTRACT SPONSORSHIP AND APPROVAL and Guideline B: CONTRACT COORDINATION.
- 4.2. Proposals approved by a funder require a contract that binds the parties to the agreement and protects the interests of the parties.
- 4.3. Proposals that require any of the following:
- New space demands,
 - Financial reports or audits,
 - New staffing arrangements,
 - Services from the Registrar's office, or
 - New resource allocations,
- require an assessment by the contract co-ordinator (Guideline B: CONTRACT COORDINATION). Such assessment involves at least the following areas, where applicable:
- Facilities Management and Community Safety,
 - Financial Services,
 - Human Resources,
 - Office of the Registrar, or
 - Resource Planning.
- 4.4. Estimating the costs of proposals follows the College's Standard Costing worksheet as illustrated in Form 1: STANDARD COSTING WORKSHEET.
- 4.5. To facilitate the approval process, contracts submitted for authorization include:
- A completed Standard Costing Worksheet as illustrated in Form 1: STANDARD COSTING WORKSHEET, and
 - A completed contract Management Transmittal Form as illustrated in Form 2: CONTRACT MANAGEMENT TRANSMITTAL FORM.
- 4.6. The proposal sponsor is responsible for:
- Preparing and submitting a decision package to reflect the activity to ensure budgets are recorded properly, and
 - For audit purposes, storing the proposal and contract for seven years following the expiry of the contract.

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COLLEGE POLICY MANUAL

Policy No. & Title: C103: REVENUE CONTRACT MANAGEMENT

Addendum: **Guideline A: CONTRACT SPONSORSHIP AND APPROVAL**

Issued by: Vice-President, Finance and Administration

Effective: 2015-07-14

1. PURPOSE

The purpose of this document is to establish the management level required for sponsorship and approval of revenue contracts according to the contract value.

Contract Value from:	Contract Value to:	Sponsor	Approval Authority¹
\$0	\$49,999	Budget Manager	Budget Manager
\$50,000	\$199,999	Budget Manager	Dean, Director, Executive Director, Chief Information Officer, Associate Vice-President or Registrar
\$200,000	\$499,999	Dean, Director, Executive Director, Chief Information Officer, Associate Vice-President or Registrar	Vice-President
\$500,000	> \$500,000	Vice-President	President

¹ Proposals or Contracts that require the College’s Seal require approval by the Vice-President, Finance and Administration.

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Addendum: **Guideline B: CONTRACT COORDINATION**

Issued by: Vice-President, Finance and Administration

Effective: 2015-07-14

1. PURPOSE

The purpose of this document is to establish which College area may coordinate a revenue contract according to the contract type.

Contract Type	Co-ordinator
Academic Programs	Faculty of Regional and Continuing Education
Corporate/Contract Training	Faculty of Regional and Continuing Education
Contract Research	Centre for Research and Innovation
Funded Research	Centre for Research and Innovation
All other contracts	Financial Services

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COLLEGE POLICY MANUAL

Policy No. & Title: C103: REVENUE CONTRACT MANAGEMENT

Addendum: **Form 1: STANDARD COSTING WORKSHEET**

Issued by: Vice-President, Finance and Administration

Effective: 2015-07-14

1. PURPOSE

The purpose of this document is to establish A STANDARD worksheet for costing proposed revenue contracts. Example template:

**Contract Management
STANDARD COSTING WORKSHEET - Summary
2015-2016**

Unit: Academic Services				
Project:		0		
		Standard Cost	Adjust	Contract Price
Faculty	full time	\$ -	\$ -	\$ -
	part time	-	-	-
Support		-	-	-
Admin		-	-	-
Other Resources		-	-	-
Indirect Costs		-	-	-
	TOTAL	\$ -	\$ -	\$ -

Messages

Comments

Administrator Name: _____
 Administrator Signature: _____
 Date: _____

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COLLEGE POLICY MANUAL
**Contract Management
STANDARD COSTING WORKSHEET
2015-2016**

10-Jul-15

 Unit: Academic Services
Project:

 unit used
2000

Direct	Salary Expenditures	Rate	Contact Hours	Standard Cost	Contract Cost
	Faculty			\$	\$
	Professor	242.09	0.0	-	-
	Counsellor / Librarian	80.39	0.0	-	-
	Partial Load	13.77	0.0	-	-
	Part Time	102.25	0.0	-	-
	Support Staff				
	Low - clerical (A, B, C, D)	32.54	0.0	-	-
	Med - technical (E, F, G, H)	42.10	0.0	-	-
	High - IT, writer (I, J, K)	53.34	0.0	-	-
	Part Time	0.00	0.0	-	-
	Administrative Staff				
	Dean	94.01	0.0	-	-
	Chair / Manager	86.12	0.0	-	-
	TOTAL DIRECT SALARY COST			\$ -	\$ -
Direct	Other Expenditures				
	Audit Fees			\$	0
	Bank Charges				0
	Capital Equipment				0
	Equipment Maintenance				0
	Equipment Rental				0
	Facility Rental				0
	Instructional Supplies				0
	Professional Development				0
	Professional Fees				0
	Promotions				0
	Office Supplies				0
	Contracted Services				0
	Telecommunications				0
	Travel				0
	<---- please specify!!				0
	<---- please specify!!				0
	<---- please specify!!				0
	TOTAL OTHER DIRECT COST			\$ -	-
	TOTAL DIRECT COST			\$ -	-
Indirect		Rate		Standard Cost	
	Student Registration Services	9.98%		\$ -	-
	Counselling, Library & Student Life	6.69%		-	-
	Computer & Network Services	4.87%		-	-
	Financial & Administrative Services	3.93%		-	-
	Payroll & Human Resource Services	1.87%		-	-
	Utility & Maintenance Costs	4.72%		-	-
	Caretaking, Portering & Security Services	3.47%		-	-
	TOTAL INDIRECT COST			\$ -	-
	TOTAL COST			\$ -	-
	Cost Adjustment or (Discount)/Premium				-
	ADJUSTED COST or CONTRACT PRICE			\$ -	-

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Incremental Cost	Faculty Contact Hours (as above)	Hours	Rate	Replacement Cost
	0.0			
Partial Load replacement		0.0	13.77	\$ -
Part time replacement		0.0	102.25	-
Other direct salary costs				-
Other direct costs				-
				<u> -</u>
Total Incremental Cost				<u> \$ -</u>
			\$ -	
Contribution to Overhead			-	
Standard Contribution			-	15.0%
Variance			<u> \$ -</u>	

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COLLEGE POLICY MANUAL

Policy No. & Title: C103: REVENUE CONTRACT MANAGEMENT

Addendum: **Form 2: CONTRACT MANAGEMENT TRANSMITTAL FORM**

Issued by: Vice-President, Finance and Administration

Effective: 2015-07-14

1. PURPOSE

The purpose of this document is to establish a form for revenue contract sponsors to use when submitting a proposal for approval.

Short Name of Contract: _____

Sponsor's Name (print): _____ College Phone: _____

Due Date: _____ Contract Value: \$ _____

Risks with proceeding: _____

Risks with not proceeding: _____

I as the Budget Manager have read the attached Contract/Proposal and agree with all the terms and conditions.

Budget Manager (value < \$50,000): _____ Date: _____

Approved by (\$49,999 < value < \$200,000): _____ Date: _____

Approved by (\$199,999 < value < \$500,000): _____ Date: _____

Approved by (value > \$499,999): _____ Date: _____

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