

## **Contract Policy and Procedure**

### ***Policy Statement***

An agreement or contract is a binding agreement that generally has legal, and often financial implications. Accordingly, it is critical that the University follow uniform procedures for reviewing, negotiating, and approving contracts.

The University reserves the right to modify or amend this Policy at any time, at its sole discretion. Any change to this Policy will become effective at the time designated above, and the changes will apply to both prospective students and those already enrolled. This Policy does not constitute an express or implied contract between Roosevelt University and any past, present, or prospective student, employee (including administrator, faculty, or staff), contractor, or volunteer. Unless otherwise stated, the following definitions apply to this Policy and Procedure:

- **“Budget Administrator”** means a Vice President or their authorized designee who is responsible for maintaining the budget for the Division or unit.
- **“Employee”** means all employees (including administrators, faculty, and staff), contractors, and volunteers.
- **“Entity”** means the party with which the University is entering into the contract.
- **“Financial”** an agreement has Financial terms if it involves Purchasing activity, or otherwise implicates the University’s resources (*e.g.*, leasing real property of the University). Agreements over which the Office of Conference Services & Special Events or the General Counsel have authority are not financial agreements within the meaning of this Policy and are governed by other University Policies.
- **“Internal Constituent”** is a party whose review and approval is necessary before executing an agreement or contract.
- **“Purchasing”** means any instance in which the University is paying for goods or services.

**Policy**

All agreements or contracts to which the University is a party must follow the approval procedures below. An Employee who violates this Policy shall be subject to disciplinary action, up to and including termination.

**1. Phase 1: Review First Draft and Identify Internal Constituents**

**a. Identifying Internal Constituents**

As a general matter, below are the categories of Internal Constituents necessary for each agreement:

**Internal Constituents**

- |                         |                         |
|-------------------------|-------------------------|
| <u>Financial</u>        | <u>Non-Financial</u>    |
| - Budget Administrator* | - Budget Administrator* |
| - General Counsel       | - General Counsel       |
| - Finance Office*       |                         |

The Budget Administrator and/or Finance Office representative who must be involved in each agreement depends on the amount of money at issue:

|                      | <u>\$0-999.99**</u>   | <u>\$1,000.00-2,999.99</u>  | <u>\$3,000.00-9,999.99</u>                       | <u>\$10,000.00-24,999.99</u>                   | <u>\$25,000.01 and over</u>                  |
|----------------------|---|---|--|--|--|
| Budget Administrator | - Department Chair/Program Head<br>- Tech. Services Librarian<br>- Asst. Director | - Assistant Dean<br>- Asst. Provost<br>- Asst. VP<br>- Director<br>- Exec. Director | - Assoc. Dean<br>- Assoc. Provost<br>- Assoc. VP | - Head Librarian<br>- Dean<br>- Vice President | - President<br>- Provost<br>- Chief of Staff |
| Finance Office       | None.   | Associate VP for Finance & Administration   |  |  | CFO  |
| General Counsel      | General Counsel   |   |  |  |  |
| VP for IT/CIO        | *** VP for IT/CIO   |   |  |  |  |

\*\* Although affiliation agreements with other entities do not generally involve financial components, in light of their academic impact, these agreements must be approved by the Provost and by the Dean of the college involved.

\*\*\*All contracts involving software/technology purchases and all contracts requiring data transfer to or from the University, regardless of funding source, must be approved by the Vice President for Information Technology/Chief Information Officer.

**Examples:**

A letter of agreement to engage an outside contractor for one year for \$5,000.00 must be approved by (1) an Associate Dean/Associate Provost/Associate Vice President, (2) the Associate VP for Finance and Administration, and (3) General Counsel.

A clinical affiliation agreement between the University and a hospital through which the University's College of Pharmacy students are able to satisfy clinical requirements of their

program, and which does not involve the exchange of money, must be approved by (1) the Provost, (2) the Dean of the College of Pharmacy, and (3) General Counsel.

**b. Reviewing the First Draft**

Where the draft is initiated by the Entity, review the draft agreement, complete the University's *Contract Routing Form*, and email to General Counsel along with the draft agreement. General Counsel will return a draft to you and all internal constituents to review and approve before presenting it to Entity.

Where the first draft is to be prepared by General Counsel, complete the University's *Contract Routing Form*, and email to General Counsel along with key terms desired in the agreement. General Counsel will return a draft to you and all internal constituents to review and approve before presenting it to Entity.

**2. Phase 2: External Review**

The Budget Administrator initiating the contract review and General Counsel will determine the appropriate method for exchanging drafts with the Entity. As a general matter, General Counsel will be responsible for exchanging drafts and negotiating with the Entity. Substantive revisions requested by the Entity must be reviewed and approved by the Internal Constituents before accepting such revisions.

**3. Phase 3: Execution**

All Internal Constituents must sign the approvals section of the Contract Routing Form before the contract is fully executed.

The signature block (1) for Financial contracts must be that of the appropriate Finance Office representative; or (2) for Non-Financial contracts, must be that of the appropriate Budget Administrator.

***Entities Affected by this Policy***

All Divisions of the University.

***Related Documents***

RU Policy No. 5.1 (University Facilities Rental Policy); RU Policy No. 6.3 (Purchasing Policy and Procedure); RU Policy No. 6.4F (Contract Routing Form); RU Policy No. 10.4 (Outside Counsel Policy and Procedure).

***Revision and Implementation***

The Vice President for Finance & Administration/Chief Financial Officer shall have the authority to revise this Policy, subject to the approval of the President's Executive Council.

All Vice Presidents shall have the authority to establish any procedures necessary to implement this Policy.