

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. 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.

This Policy governs conduct on all of the University's properties, including but not limited to the Auditorium Theatre of Roosevelt University ("ATRU"). 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

The Budget Administrator and General Counsel must review and approve all agreements. In addition, the other Internal Constituents who must be involved in each agreement depends on the subject matter of the agreement and 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>\$25,000.00 and over</u>
Budget Administrator	- Department Chair/Program Head - Tech. Services Librarian - Asst. Director	- Assistant Dean - Asst. Provost - Asst. VP - Director - Exec. Director	- Assoc. Dean - Assoc. Provost - Assoc. VP	- Head Librarian - Dean - Vice President	- President - Provost - Chief of Staff
Finance Office	None.	Associate VP for Finance & Administration			CFO
General Counsel	**General Counsel				
VP for IT/CIO	*** VP for IT/CIO				
Research & Faculty Success	**** Associate Provost for Research and Faculty Success				

* 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. Apart from these, all agreements of \$1,000.00 or more must be reviewed and approved by the Finance Office, as set forth in the chart above.

** All settlement agreements and agreements to retain outside counsel can be approved and executed by General Counsel alone, although General Counsel must keep the Finance Office abreast of potential expenditures.

*** 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, along with all others specified in the chart above.

**** All contracts involving funded sponsored research that will be performed by at least one University Employee or Student, regardless of funding source, must be approved by the Associate Provost for Research and Faculty Success, or their designee, along with all others specified in the chart above.

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. 4.12 (Research and Sponsored Program Policy); 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.