

BF4008 - Contracts and Signatory Authority

Issued: February 14, 2017

Responsible Official: Executive Vice President and Chief Operating and
Financial Officer

Responsible Office: Procurement and Contract Services

Policy Statement

Any type of agreement that obligates the University to provide payment, services, goods or use of University properties, facilities or other resources to an external party (hereinafter “contracts”) must be signed by the President or designee. Only the President and those specific individuals authorized in this policy or in writing by the President, through published policies or other authorizing documents, have the authority to enter into contracts on behalf of the University. The Chief Financial Officer shall be responsible for the development and administration of procedures to ensure compliance with this policy.

Contracts which are not on University of Memphis standard forms must be reviewed by the Office of Legal Counsel, Business Services or Research Support Services before being signed by an authorized University official. **Individuals who execute contracts that are not authorized to do so may be personally liable for the obligations of the contract.**

Purpose

To describe the requirements, procedures, and approval processes for University contracts and to define the delegation of authority deemed necessary and appropriate for the efficient administration of the University. This policy applies to all contracts that legally bind the University of Memphis other than regular full-time faculty and staff employment contracts.

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Links

- [Procurement and Contract Services Website](#)
- [BFGuide to Contracts and Agreements](#)
- [Office of Legal Counsel Website](#)

Procedures

Contract Procedures

Employees are encouraged to use the University standard contracts to expedite the contracting process. The University standard contracts are located at <http://bf.memphis.edu/forms/admin.php>. All proposed contracts, even those using the standard form, must be reviewed by the department chair/activity head and University official responsible for monitoring the contract. A Contract Agreement Routing form must be filled out and signed by the appropriate department official. (<http://bf.memphis.edu/forms/procurement/routing.html>) The contract and signed Contract Agreement Routing form should then be forwarded to the Director of Procurement and Contract Services for processing and signature. For all non-competitive (sole source) contracts, a justification for sole source must accompany the routing form and contract. The Justification for Sole Source form is available on the Procurement and Contract Services web site. (<http://bf.memphis.edu/forms/procurement/sole.html>)

All expenditure and revenue contracts are initially reviewed by Procurement and Contract Services and may not require review by the Office of Legal Counsel before signature. Vendor-generated contracts are initially reviewed by Procurement and Contract Services but will require additional time for review by the Office of Legal Counsel. Specific non-standard contracts (real property leases, partnerships, performance agreements) are initially reviewed by Business Services. All other non-standard contracts (memorandum of

understanding, business associates, etc.) are initially reviewed by the Office of Legal Counsel.

If the President's approval is required, the Office of Legal Counsel and/or the Chief Financial Officer will forward the contract to the President after review. All necessary signature approval lines should be added to the contract by the department, including that for the University.

Contract Guidelines

The following guidelines apply to contracts between the University of Memphis and any external party.

- The listed positions below may approve an expenditure for Personal, Professional, or Consulting Service contracts when the total fee is less than \$5,000 and a University Request for Payment to Individuals or Contractor form is used (<http://bf.memphis.edu/forms/acct/acct06.htm>). The completed form shall be forwarded to the Accounting Office for further processing.
 1. Provost
 2. Vice President
 3. Assistant Vice President
 4. Dean
 5. Director
 6. Department Chair
 7. Activity Head, and/or equivalent University official
- Contracts of \$5,000 or more require the approval of the Director of Procurement and Contract Services.
- All proposed contracts of \$10,000 or more must be competitively bid unless adequate "sole source" justification is provided.
- All proposed contracts shall be approved by all parties prior to the effective start date.
- If the other party or contractor is a corporation, its name must be stated in the contract exactly as it appears in its charter. The person signing on behalf of the corporation must have legal authority to do so, and his/her title/position should be shown on the signature page. If the other party is a state agency, signature approval lines are necessary for the Department Commissioner or official of equivalent rank.
- The President or those specific individuals authorized in this policy (see below) must sign all University contracts. The authority to sign contracts cannot be delegated.
- The Chancellor must sign certain contracts in conformance with this policy.
- Prior approval of Fiscal Review Committee is required for all non-competitive (i.e., "sole source") contracts of a total value of \$250,000 or more, and for a term greater than one (1) year. This process requires submission to Fiscal Review Committee at least 75 calendar days prior to the effective start date.

All proposed contracts must be reviewed and agreed to by the department chair/activity head or higher and the Director of Procurement and Contract Services before the contract will be approved by the President or other authorized officials. Please refer to the Procurement and Contract Services website for more information regarding Contract Services. (<http://bf.memphis.edu/procurement/>) Questions relating to the legal aspects of contracts should be referred to the Office of Legal Counsel (<http://www.memphis.edu/legal/>).

Signatory Authority

A. The President or designee shall sign all contracts. The President delegates to the following University officials the authority to execute contracts on behalf of the University, subject to applicable restrictions contained in the aforementioned policy and guideline:

1. **Director of Procurement and Contract Services:** Contracts that do not exceed \$249,999 which include: Personal, professional, and consultant services agreements and dual services agreements not requiring THEC approval; trademark license agreements; continuing education and public service short training course and space use agreements; and other agreements of similar nature which generally are considered to be the department's responsibility within the University, which do not require the President's approval.
2. **Dean or Associate Dean of College of Communication and Fine Arts:** Audio/Video/Film services agreements under \$500.
3. **Vice President for Sponsored Programs:** Sponsored program agreements which do not specifically require the President's approval. Research-related nondisclosure agreements, licensing agreements, Memorandums of Understanding (MOU), data use agreements, and material transfer agreements may also be signed by the Vice President for Sponsored Programs.
4. **Appropriate Department Chair/Director or Appropriate Dean or Assistant/Associate Dean:** Part-time and temporary employment contracts for teaching faculty.
5. **Vice Provost for Graduate Studies or Director, Graduate School Services:** All graduate assistant contracts.
6. **Vice Provost for Undergraduate Programs:** Exceptions to credit hour and/or compensation limits for part-time faculty.
7. **Assistant Vice President for Human Resources:** Employment and reappointment employee contracts for exempt staff, except executive appointments and coaches' contacts.
8. **Assistant Vice President for Human Resources or Senior Director, Workforce Management:** Part-time temporary employment contracts for staff.
9. **Procurement and Contract Services Purchasing Agent:** All documents related to the purchase of goods and services and others of similar nature which are repetitive.
10. **Athletics Director or Associate Athletics Director - Finance:** Grants-in-aid and athletic game contracts.
11. **Director of Residence Life:** Student housing agreements (including dormitories and married student housing).

12. **Director of Physical Plant Business Operations:** University rental housing leases.
13. **Director of Student Financial Aid:** Student aid agreements (scholarships and work-study programs).
14. **Provost:** Study abroad agreements; Memorandums of Understanding (MOU) with other schools regarding exchange of students and/or faculty; post retirement agreements; professorship appointments; employment and reappointment employee contracts for faculty; full-time MBA graduate student assistantship agreements; and sponsored program, non-disclosure, licensing and material transfer agreements over \$249,999.

Related Forms

Justification for Sole Source	http://bf.memphis.edu/forms/procurement/sole.html
Request for Payment to Individual or Contractor Form	http://bf.memphis.edu/forms/acct/acct06.htm
Contract Agreement Routing Form	http://bf.memphis.edu/forms/procurement/routing.html
University Contract Forms	http://bf.memphis.edu/forms/admin.php

FAQs

If a University contract has a zero or low dollar amount, with impermissible clauses and/or liability (risk) to the University, who should sign it?	Forward the contract to the Office of Procurement and Contract Services to determine the appropriate approval authority and possible amendment to contract.
What do I do if I don't understand a term in a contract or agreement?	Forward the contract or agreement to the Office of Legal Counsel for review.

Links

Procurement and Contract Services Website

<http://bf.memphis.edu/procurement/contractservices.php>

BFGuide to Contracts and Agreements

<http://bf.memphis.edu/bfguide/10371.htm>

Office of Legal Counsel Website

<http://www.memphis.edu/legal/contact.php>

Revision Dates

BF4008 - Supersedes UM1571 March 19, 2018
UM1571 -- revised February 14, 2017
UM1571 -- revised Aug 1, 2016
UM1571 -- revised Sep 10, 2015
UM1571 -- revised Nov 7, 2013
UM1571 -- revised Aug 9, 2013
UM1571 -- revised May 17, 2013
UM1571 -- issued October 12, 2012

Subject Areas:

Academic	Finance	General	Human Resources	Information Technology	Research	Student Affairs
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