

Christopher Newport University Contracting Policy

This Policy outlines the authority and responsibilities of university administrative personnel with regard to executing and reviewing contracts. As contracts may originate from a vendor or from a department within the University, this policy establishes the guidelines for establishing a contract on behalf of the university.

Generally, individual employees of the University have no authority to execute a contract on behalf of the University. If an individual employee executes a contract on behalf of the University without express written authorization, the individual employee will be held personally liable.

A. Departmental Responsibilities: It is the responsibility of the department generating the contract to ensure that the commitment of all resources (funding, personnel, facilities and space) is met. If resources are not available to the generating department, the person responsible for generating the contract must ensure through the appropriate level (dean or vice president) that resources will be made available. Contracts should not be submitted unless the commitment of all resources is met.

B. Materiel Management Department Responsibilities: The Department of Materiel Management is the primary repository for contracts, agreements, riders, and related legal documents as a result of a competitive solicitation or sole source process when goods and services are obtained in accordance with established university procurement policies and procedures and the *Commonwealth of Virginia, Department of General Services, Agency Procurement Manual*. Materiel Management reviews contract for completeness, contacts the department if there are any questions and forwards contracts to University Counsel for review. Materiel Management maintains the original signed contract for all contracts that are processed through their department.

C. University Counsel's Responsibilities: All contracts, including memorandums of understanding/agreement, collaboration agreements, and affiliation agreements, must be reviewed by University Counsel before they are signed. Materiel Management or university departments must send all university contracts, MOU's/MOA's to University Counsel for review before obtaining signatures for any party to enter into a contractual arrangement. University Counsel reviews all contracts for legal content and sufficiency in accordance with Virginia law. University Counsel will stamp all contracts to indicate that they have been reviewed. University Counsel is the final authority on interpretation of the law. The University Counsel, at his/her discretion, may exempt certain categories of contracts from the review process. Such exemptions must be in writing.

University Counsel will return contracts to Materiel Management or the department if there are questions about the contract or if the contract is incomplete. All necessary deletions, insertions, or changes to contractual terms and conditions, in

compliance with Virginia law, will be noted in a memorandum and returned. It is Materiel Management or the department's responsibility to make the changes to the contract in accordance with University Counsel's instructions.

D. Contract Language and Review Procedures: All contracts should read as follows:

- a. The university should be referred to in all contracts as The Rector and Visitors of Christopher Newport University.
- b. Wording changes, deletions, and insertions must be made on the original contract and to all copies of the contract. In the Commonwealth of Virginia, copies of the original contract are as equally binding as the original.
- c. Deletions should be made by striking the text. Do not remove or use "white-out" for deletions.
- d. Every change, insertion, and deletion to the contract and all copies must be initialed by the person responsible for signing the contract.
- e. The generating department is responsible for maintaining a signed original contract for all contracts not going through Materiel Management as the university's record of the agreement. The signed contracts must be retained for a period of six years after the end of the contract period.

E. Definitions:

- a. **Contract:** Any document that states an agreement between two parties. A memorandum of understanding and a memorandum of agreement are contracts. Contracts can be for revenue or expenditures.
- b. **Rider:** A contract rider is a fully binding legal document that may be attached to a contract. Riders arise from the vendor, or the university may use a standard rider. Departments may work with University Counsel in developing a rider. All riders should be attached at the time the contract is submitted to University Counsel for review.
- c. **Standard Contract:** A standard contract is a simple, routine contract generated by the university for regular and routine use. A draft standard contract must be submitted to University Counsel for review and approval for legal sufficiency and content before it is recognized as a valid instrument. Once a standard contract is established, it is not necessary for University Counsel to review each individual contract, regardless of the amount. Examples of standard contracts include the Individual Service Contract, Room Rental Contracts and Catering Contracts. Standard contracts are also used as bilateral agreements to incorporate all negotiated requirements of a service being provided to the University, as well as, terms and conditions of the services being provided to the University by a private vendor.

Authority is delegated to make various contractual commitments to the administrators noted below.

	Position	Contract Type
1.	President	All contracts
2.	Chief of Staff	All contracts, except employment of instructional faculty, and purchase of real estate. (Backup signature for contracts not delegated, if Executive Vice President is not available)
3.	Executive Vice President	All contracts, except employment of instructional faculty. (Primary signature on all contracts not delegated)
4.	Provost	All contracts involving the employment of instructional faculty, administrative/professional faculty, sponsored research and intellectual property. (May be delegated to the Vice Provost) (May be delegated to academic deans for employment of adjunct faculty, research and lab assistants, and persons needed to support performing arts productions)
5.	Vice President Student Services	All contracts for student programming. (May be delegated to the Dean of Students)
6.	Vice President University Advancement	All endowment agreements, gift instruments and grant agreements.
7.	Director of Materials Management	All contracts for the purchase of goods and services resulting from competitive solicitation or the sole source procurement process where goods or services are obtained in accordance with the Virginia Public Procurement Act. (May be delegated to the staff of the Materiel Management Office up to \$50,000 for goods and sole source procurements, unlimited for services)
8.	Executive Director of the Ferguson Center for the Arts	Contracts for the Ferguson Center for the Arts Usage Contracts, A.F. of M. Agreements (Musician Union), I.A.T.S.I.E. Agreements (Stage Union), artist contracts, copyright monthly reports, advertising contracts, promotion agreements, sponsorship/guarantor agreements.
9.	Director of Intercollegiate Athletics	All contracts for organized Athletic competitions.
10.	Comptroller	Vendor credit applications, stop payment agreements, except payroll checks, and contracts related to the payment of tuition and fees. (May be delegated to trained staff)
11.	Director of Human Resources	Stop payment agreements for payroll checks only. (May be delegated to trained staff)
12.	Senior Associate VP for Auxiliary Services	Room rental, conferencing housing, and catering <u>standard</u> agreements. (May be delegated to trained staff)
13.	Coordinator of Lifelong Learning Society	All contracts for instructors and lecturers for the Lifelong Learning Society programs.

14.	Vice Presidents, Deans, Directors and Department Heads	Authority to purchase goods and services up to \$5,000, utilizing state guidelines, for goods and services that are <u>not</u> placed against university contracts. Each individual's Supervisor must authorize the individual procurement limits.
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Unless noted above, authority may not be delegated. All delegations of authority must be in writing.

This contracting policy supersedes the previous contracting policy of the University, dated August 13, 2001 and shall remain in effect until such times as it is amended.

This policy shall become effective September 1, 2009.