



CONTRACT REVIEW & APPROVAL POLICY

Effective: September 1, 2017

Subject to annual review

Responsible Office General Counsel

Policy Statement & Scope

This policy establishes the review process for College contracts and also identifies who, within Mount Ida College (the “College”), is authorized to sign contracts on behalf of the College, its employees and agents.

Definitions

Contract is defined as an agreement between two or more parties, one of which is Mount Ida College or its administrative or academic departments or any entities created thereunder (including student associations). The parties to the College contract must have an understanding of the essential terms, mutual obligations, and there must be something of value exchanged.

Examples of contracts may include agreements for the purchase or rental of goods or services, a bill of sale, liability waivers, intellectual property licenses, clinical affiliation agreements, agreements with offsite internship locations, memoranda of understanding, consulting agreements and nondisclosure agreements.

The examples above are not exhaustive and under some circumstances, an agreement may be a binding contract even if one party provides something of value to the other party at no charge or cost.

Policy

I. Contract Negotiation and Review

The contract process begins when an employee or individual with delegated authority identifies a need to use outside goods or services or otherwise seeks to establish a relationship between the College and an outside party. At this early stage, employees are encouraged to seek assistance from the General Counsel when negotiating the terms of a contract proposal. Such terms may include price, scope or duration of the contract or other elements of an engagement with an outside party.

After identifying a proposed vendor:

- a) Submit the contract proposal to the vice president of your department or dean of your school for approval with the appropriate contract cover sheet. The cover sheet is attached to this policy and also available on MiWeb.
- b) For contracts under \$10,000.00 that do not have a “special risk management consideration” (as defined below), the initiating employee is responsible for obtaining original signatures by the outside party’s authorized representative on the contract. When the contract is returned, it should be submitted by the initiating employee to the Vice President of Finance and Administration (“VPF&A”) for signature in accordance with Section II of this policy.
- c) Contracts over \$10,000 and all contracts (regardless of dollar amount) with a “special risk management consideration” and contracts with automatic renewal provisions must be reviewed by the General Counsel after approval by the applicable vice president or dean.



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- d) A “special risk management consideration” occurs when the contract proposal requires proof of insurance or when the subject of the contract involves some additional degree of risk, such as foreign or domestic travel, athletic activities, activities involving minors, facilities use, construction, equipment rentals for student use, or offsite College activities for students. Employees are responsible for using discretion in identifying a special risk management consideration and should err on the side of caution and contact the General Counsel if in doubt.
- e) After a contract is reviewed by the General Counsel (“GC”), s/he will provide written approval to the initiating employee, and the initiating employee is responsible for obtaining original signatures by the outside party’s authorized representative on the contract. When the contract is returned, it should be submitted by the initiating employee to the Corporate Secretary for signature in accordance with Section II of this policy.

II. Authorized Signatories & Related Record Keeping

In accordance with the Mount Ida College bylaws, the President and the Treasurer (VPF&A) are the only two officials with authority to contract on behalf of the College. Anyone else who enters into a contract that purports to bind the College or its departments or schools is acting without authority and could be held personally liable for the contract.

All contracts must be signed by the VPF&A, and in his or her absence, contracts must be signed by the President of the College. Contracts should be submitted for signature in the following manner:

- a) Unless otherwise permitted by the VPF&A, the initiating employee shall submit the original version of the contract and such original must have already been signed by the outside party prior to submission.
- b) The VPF&A will execute the original and keep one copy on file in the office of the VPF&A. The original will be returned to the initiating employee, and the initiating employee is responsible for returning the original contract to the outside party. The initiating employee may also take a copy for his or her file (and is encouraged to do so for purposes of complying with the responsibilities listed in Section III below).
- c) The VPF&A will maintain the original contract for six years after the expiration or termination of the contract unless such contract is subject to a legal hold or other legal requirement.

III. Responsibilities of Employees Initiating Contracts

The employee initiating the contract for the College is responsible for the following:

- a) Ensuring the contract is in the best interests of the College and consistent with the College’s mission and strategic plan;
- b) Ensuring the contract constitutes a planned and budgeted expense;
- c) Monitoring and complying with obligations established in the contract. This includes but is not limited to identifying automatic renewal provisions, monitoring contract termination periods, complying with payment terms and any other applicable obligations;
- d) Undertaking a competitive bidding process in accordance with thresholds established by the Business Office;



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- e) Utilizing College form contracts when practicable and requesting such forms from the General Counsel;
- f) Ensuring no conflict of interest exists. A conflict of interest is defined as a circumstance in which financial or other personal interest may actually or potentially compromise the professional objectivity or judgment of an employee.
- g) Contacting the General Counsel to the extent the initiating employee seeks to terminate a contract prior to expiration of the contract term.

Any questions regarding this policy should be directed to the General Counsel.

