



EAST TENNESSEE STATE
UNIVERSITY

Contracts and Signatory Authority

Policy Name: Contracts and Signatory Authority

Policy Purpose

This policy specifies 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.

Applicability

This policy applies to This policy applies to all contracts that legally bind East Tennessee State University.

Responsible Official, Office, and Interpretation

The Vice President for Finance and Administration is responsible for the review and revision of this policy. For questions about this policy, please contact the Office of Finance and Administration. The Chief Financial Officer, in consultation with the Office of University Counsel, has the final authority to interpret this policy.

Defined Terms

A defined term has a specific meaning within the context of this policy.

N/A

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Policy

Any type of agreement that legally obligates the University including but not limited to the provision of payments, 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 Vice President for Finance and Administration shall be responsible for the development and administration of procedures to ensure compliance with this policy.

Contracts which are not East Tennessee State University standard forms must be reviewed by the Office of University Counsel before being signed by an authorized University official. Contracts may be called, but are not limited to, contracts, agreements, memorandum of understanding, memorandum of agreement, purchase orders, or terms and conditions. Individuals who execute contracts that are not authorized to do so may be personally liable for the obligation of the contract.

Procedures

1. Contract Procedures

- 1.1. The use of University standard contracts will expedite the contracting process. Contractor/vendor-generated contracts will require additional time for review by the Office of University Counsel. All non-standard contracts are reviewed by the Office of University Counsel.
- 1.2. For all non-competitive (sole source) contracts over \$10,000, 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.
- 1.3. Contracts will be routed for the required University authorized signature after the contract has been reviewed by appropriate parties.

2. Paper processing

- 2.1. The University standard contracts are located on the [Contracts](#) section of the Financial Services website. All proposed contracts, even those using the standard form, must be reviewed by the department authority. An Agreement Routing Form must be filled out and signed by the appropriate department official. The

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contract and signed [Agreement Routing Form](#) should then be forwarded to Procurement and Contract Services for processing and signature.

3. Electronic Processing

Contracts may be processed and routed for review and authorized electronic signatures using the approved electronic system.

4. Contract Guidelines

The following guidelines apply to contacts between East Tennessee State University and any external party:

- 4.1. The listed positions below may approve contracts: President; Vice Presidents.
- 4.2. All proposed contracts of \$10,000 or more must be competitively bid unless adequate “sole source” justification is provided.
- 4.3. 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.
- 4.4. The President or those specific individuals authorized in this policy (see below) must sign all University contracts.
- 4.5. The Chancellor must sign certain contracts in conformance with this policy.
- 4.6. 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.
- 4.7. *All proposed contracts must be reviewed and agreed to by the department chair or higher before the President or other authorized officials. Refer to the Procurement and Contract Services website for more information regarding Contract Services. Questions relating to the legal aspects of contracts should be referred to the Office of University Counsel.*

5. Signatory Authority

Chancellor or designee shall sign:

- 5.1. Contracts involving or related to the purchase or disposal of real property, insurance, and capital outlay projects.

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- 5.2. Agreements involving or related to the leasing (institution as lessee or lessor) of real property for more than five (5) years or more than \$150,000 per year.
 - 5.3. Any agreement, including purchase orders, for two hundred fifty thousand dollars (\$250,000) or more in annual revenue or expense.
 - 5.4. Agreements and contracts involving insurance or other benefits.
 - 5.5. Agreements in which the TBR is a named party.
 - 5.6. The primary operating agreement between an institution and its foundation and any other agreement between the institution and its foundation which does not conform to the requirement of TBR Guideline G-030.
 - 5.7. Contracts, including grant agreements, which do not conform to the requirements of TBR Guideline G-030.
 - 5.8. Banking, procurement card and other financial services agreements.
 - 5.9. Any agreement between ETSU and any other institution, agency, organization or entity which provides for the coordinated or cooperative offering of any credit or non-credit programs or activities or in which certificate or degree requirements are met or credit is given for coursework or activities offered by another institution.
 - 5.10. Examples of such agreements include provisions for either credit or non-credit academic programs or public service activities to private or state agencies and institutions in the fulfillment of that agency's responsibility for state-wide services or governmental training, and
 - 5.11. Agreements which require consortia or cooperative arrangements with other institutions, agencies, or associations.
 - 5.12. Any noncompetitive contract with a potential term of more than one (1) year and a cumulative value of two hundred fifty thousand dollars (\$250,000) or more. ETSU shall not enter into multiple one-year contracts, involving the same vendor for the same service, to circumvent this requirement.
 - 5.13. *Renewals of the above agreements do not require approval by the Chancellor of the Chancellor's designee if no changes have been made. However, a copy of the executed renewal shall be provided to the System Office.*
6. Designations
- The president or designee shall sign:
- 6.1. All contracts requiring TBR approval;
 - 6.2. Employment contracts for permanent faculty, administrative staff and coaches,

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- 6.3. Employment contracts for adjunct faculty;
- 6.4. Memorandum of understanding/agreement with other schools regarding exchange of students and/or faculty;
- 6.5. Post retirement agreements;
- 6.6. Professorship appointments;
- 6.7. Exceptions to credit hour and/or compensation limits for part-time faculty;
- 6.8. Moving expense agreements; and
- 6.9. Scholarships.

7. Additional Designations

The President designates to the following University officials the authority to execute contracts on behalf of the University, subject to applicable restrictions contained in the aforementioned policy:

- 7.1. Vice Presidents: Employment and reappointment contracts for temporary employees. Personal, professional or consulting services contracts less than \$250,000 on behalf of their divisions.
- 7.2. Vice President Finance and Administration: Employment contracts for clerical and support staff,
- 7.3. Vice President Academic Affairs, Provost, and Vice President Health Affairs: Study abroad agreements.
- 7.4. Vice President University Advancement: ETSU Alumni Association agreements using non-state money.
- 7.5. Vice Provost for Research and Sponsored Programs: Research and service related grants and contracts submitted through the Office of Research and Sponsored Programs and subaward agreements issued from the Office of Research and Sponsored Programs and/or received from the East Tennessee Research Foundation. The Vice Provost for Research and Sponsored Programs is the signature authority for East Tennessee State University Research Foundation (ETSURF) contracts.
- 7.6. Vice President University Advancement: The Vice President for University Advancement is the signature authority for the East Tennessee State University Foundation.
- 7.7. Associate Vice President of Administrative Services: Contracts less than \$250,000 associated with approved requisitions/purchase orders, which do not require the President's and/or TBR's approval.

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- 7.8. Director of Athletics: Grant-in-aid contracts for athletes, game sponsorship agreements, Personal, professional or consulting services less than \$250,000 for Athletics, and athletic sponsorship agreements.
- 7.9. Dean of Graduate School: All graduate assistant contracts.
- 7.10. Director of Residence Life: Student housing agreements (residence halls and apartments)
- 7.11. Director of Financial Aid: Student aid agreements and work-study programs.
- 7.12. Departmental Supervisors: Work study program agreements (federal work study, regular student work program).

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Applicable Forms and Websites

N/A

Authority and Revisions

Authority: TCA § 49-8-203, et seq.

Previous Policy: Tennessee Board of Regents (TBR) Policy No. 1:03:02:10, “Approval of Agreements,” and TBR Guideline G-030, “Contracts and Agreements.”

The ETSU Board of Trustees is charged with policy making pursuant to TCA § 49-8-203, et seq. On March 24, 2017, the Board delegated its authority to ETSU’s President to establish certain policies and procedures for educational program and other operations of the University, including this policy. The delegation of authority and required process for revision to this policy can be found on the [Policy Development and Rule Making Policy webpage](#).

To suggest a revision to this policy, please contact the responsible official indicated in this policy. Before a substantive change to the policy section may take effect, the requested changes must be: (1) approved by the responsible office; (2) reviewed by the Office of University Counsel for legal sufficiency; (3) posted for public comment; (4) approved by either Academic Council or University Council; and (5) approved by ETSU’s President.