



## Contract Administration

Effective Date: June 6, 2016

Last Revision Date: March 16, 2021

### 1. PURPOSE

The purpose of this policy is to establish procedures for the proper review, approval, and sequencing of contract actions related to university contracts by the University of Wisconsin-Stevens Point (UWSP) campus community that bind UWSP and in turn, the University of Wisconsin System and Board of Regents.

### 2. RESPONSIBLE CAMPUS DIRECTOR

Director of Financial Operations/Controller

### 3. DEFINITIONS

**Contract:** Any agreement between two or more parties that creates a legally binding obligation to do, or not do, a particular thing. A contract may, or may not, involve the payment of money. This definition applies to any document that obligates the University, irrespective of the terminology used to describe that document (i.e. agreement, memorandum of understanding (MOU), letter of agreement (LOA), nondisclosure agreement, lease, cooperation, etc.).

**Contract Routing and Approval Form:** Document intended to standardize the review and routing of all contracts by not only the affected campus department, but also other offices on campus (i.e. Risk Management, Information Technology, Facility Services, etc.). Contracts are centrally controlled and maintained by the Controller's office and Business Affairs Administrative office, unless otherwise specified.

**External Contract:** A contract initiated from a non-university party for consideration; a non-university template contract. This type of contract requires the Contract Routing and Approval Form to be signed and attached prior to submitting the contract for review and approval. Approved university template contracts do not need a Contract Routing and Approval Form.

**Executed Contract:** A contract document signed by all parties; the final, completed document.

## 4. POLICY

To carry out the university's mission, it is often necessary to enter into a legally binding contract with another party. The university will only be bound by written contracts to which the university, or a subunit, is formally a party, that have been reviewed and approved in accordance with this policy, and that have been executed by university officials who have specific authorized signature authority. No officer or member of the campus community has the authority to sign contracts on behalf of the university, or any program, department, or division of the university, in the absence of a formal written delegation of authority. This policy describes the university's contract review and approval requirements, the protocols for the delegation of signature authority, and contract retention guidelines. This policy applies to all members of the university campus community.

## 5. PROCEDURES

### A. Departmental Review

Contracts are typically initiated at the campus department level with each department reaching out to partners/contractors on an as needed basis. A department initiating an approved university template contract would complete the required information in the template, obtain the appropriate contractor signatures, and then forward to the appropriate signature authority for final review and approval.

A campus department initiating an external contract is responsible for completing the most current **Contract Routing and Approval Form**. Prior to being forwarded to the appropriate signature authority, the contract must be read entirely and approved by: the Department Chair; the Unit Director; the Business Manager, or the Dean.

The following outlines the responsibility of the above listed authority(s):

- Guarantees that the department or unit can furnish services, materials, and/or funds provided for in the contract.
- Assures that alternative activities, actions and/or providers have been considered, and that those stipulated in the contract represent the most feasible, reasonable, and fiscally prudent arrangements for the department and the university.
- The department can ensure compliance with the obligations it places on the university.

In addition, the initiating department must have the cooperation and approval of any other university department that may be directly or indirectly be involved in the performance or funding of the contract (i.e. another department, Facilities Services, IT, etc.).

## **B. Final Review and Approval**

Following preliminary review and approval by the initiating department, all contracts undergo further administrative review and approval. Excluding contracts related to Sponsored Research and Procurement contracts, all other contracts must be sent to an appropriate signature authority for review and approval. (see **Extramural Funds Administration Policy** and see **ShopUW+**).

All external contracts must be accompanied by a completed **Contract Routing and Approval Form**, available on the Financial Operations website.

Administrative review will be conducted to:

- Assure contract does not subject the university to undue liability or risk.
- Assure contract does not contain any prohibited clauses.
- Assure terms of the contract comply with Board of Regents and University System regulations, and applicable local, state, and federal laws.
- Verify that all appropriate reviews/approvals have been completed.
- Ensure the final contract is signed by an authorized signature authority.

## **C. Signature Authority**

Under UW System Board of Regents Policy Document 13-1: [General Contract Approval, Signature Authority, and Reporting](#), the BOR have authorized the President of the University of Wisconsin System to: (1) delegate contract signature authority to other UW System officials deemed to have the requisite knowledge, judgment, and operational need to exercise such authority; and (2) delegate to the Chancellors, who in turn, may further delegate contract signature authority to other UW System institution employees, the authority to sign contracts related to programs or operations of their institutions. Therefore, under policy 13-1, the Chancellor has identified a list [authorized signers](#) of contracts/documents for the university.

## **D. Contract Retention**

A central contract repository is maintained for the retention of final, executed contracts. Authorized signers of contracts/documents have access to the contract repository to record signed contracts and upload final copies of signed contracts. Campus departments may maintain their own copies/scans of these agreements as convenience copies.

Oversight and administration of the central contract repository is delegated to the Controller and Executive Staff Assistant for Business Affairs.

Procurement Contracts are retained in the ShopUW+ platform. Sponsored Program contracts are retained in SFS under the project ID of the program. Retention of final,

executed patient purchase agreement for the Speech, Language, and Hearing Clinic are retained in the clinic patient files.

All contracts are retained in accordance with UW System record retention guidelines.

## **6. REFERENCES and RELATED DOCUMENTS**

[University of Wisconsin System – Administrative Policy 342 \(formerly G2\): Extramural Support Administration](#)

[University of Wisconsin System – Regent Policy Document 13 – Contracts](#)

[University of Wisconsin System – Risk Management - Contractual Liability Program](#)

[UWSP – Signature Authority](#)

[UWSP – Contract Routing Form](#)

[UWSP – Financial Operations - Extramural Funds Administration Policy](#)

[UWSP - Information Technology Policies](#)

## **7. POLICY HISTORY**

Effective Date: 06/06/2016

Approved: 06/02/2016

Approved by: Vice Chancellor for Business Affairs

Revisions: 03/16/2021

## **8. SCHEDULED REVIEW**

June 2021