



## Contract Policy

**Adopted: March 1, 2024**

### **Policy Statement**

St. Norbert College supports sustaining a contract environment based upon the understanding that centralized review and signing authority best supports the college's endeavor to optimize suppliers; ensure contract terms and provisions are appropriate, consistent, and acceptable; and ensure that financial obligations and legal commitments are aligned with the college's mission, budget, and all applicable laws and regulations.

### **Definitions**

For purposes of this policy, a "contract" is defined as a written agreement between two (2) or more parties, one of which is the college, that obligates the college to provide payment, services, goods, or use of college property, facilities, equipment, or other resources to a third party. A contract may or may not involve the exchange of money to settle an obligation.

Documents that constitute a contract include but are not limited to: contracts for goods or services, lease or rental agreements, consulting agreements, academic agreements, financing agreements (including hedging agreements), affiliation agreements, assignments, business agreements, memoranda of understanding (MOUs), memoranda of agreement, non-disclosure agreements, pledge agreements, promises to pay, promissory notes, purchase orders, riders or addenda to existing contracts, settlement agreements, sub-awards and waivers.

This policy excludes all employment-related contracts and agreements.

This policy applies to all college employees, students and student organizations who attempt to enter into any type of agreement, regardless of terminology used to describe the document, that purports to legally obligate the college in any of these ways.

### **Written Contracts**

All college contracts must be in writing, regardless of prior practice or prior business relationship with the person or entity (however, a donor or potential donor may decline to sign a pledge agreement)

All contracts must be accompanied by a W-9 and insurance certificate. Contractors must be properly bonded and insured (including workers compensation insurance) and must provide an insurance certificate evidencing this coverage prior to commencing work at the college or any ancillary facilities.

Any exception must be approved by the VP for Business & Finance/CFO.

### **Administrative Review & Contract Signature Authority**

All contracts must be written and executed in accordance with federal, State of Wisconsin, and local laws and regulations. Further, all contracts must align with and not directly conflict with the mission of the college.

Prior to submitting a contract for final review and approval, for contracts of \$2,500 or more, the divisional vice president must review and approve the request. Requests can only be initiated by a director, or more senior position to ensure proper authority and accountability for advancing a request.

For avoidance of doubt, oral agreements will not be recognized as valid by the college.

The President of the college retains signature authority for all college-level contracts. The President has delegated signature authority as follows:

Contract Type	Definition	Delegate Title
General Contracts	All contracts regardless of dollar amount, except as identified below.	VP for Business & Finance/CFO (or Delegate). Contracts \$2,500 and less will be routed to the AVP for Financial Services. All contracts (except utilities) between \$250,000 and \$2,000,000 must be approved by both the VP for Business & Finance/CFO and the President.
Academic	Academic programs, academic affiliations, partnerships, and joint and dual degree programs, academic MOUs	Dual signature: Vice President for Academic Affairs & Vice-President for Business & Finance/Chief Financial Officer
Gifts	Agreements, MOUs in which the college is the recipient of a charitable contribution, gift or pledge to the college	Dual signature: Vice President for Advancement & Vice President for Business & Finance/Chief Financial Officer

Contracts requiring Board of Trustees approval per the Bylaws are noted below:

- *Article III, Section 2k: To authorize all financial obligations maturing more than one year from the date of creation, and to authorize all financial obligations maturing less than one year from the date of their creation which are in excess of \$2,000,000.00. This reservation shall not apply to equipment leases involving a total financial commitment of less than \$1,000,000.00.*

*Only those positions that the President has delegated signature authority, as outlined above, are authorized to sign college contracts. No other employees, students, or student organizations are authorized to commit the college to any contractual obligation.*

## **Responsibilities**

### *Budget*

It is the responsibility of the department requesting the contract to ensure that the commitment of all resources (funding, personnel, facilities, space, etc.) is met. The funding must be identified at the time of request for approval.

### *Negotiations*

Contract negotiation for major contracts of \$25,000 and greater shall be conducted in collaboration with the VP for Business & Finance/CFO or delegate. All capital projects should be reviewed and negotiated by facilities before CFO review/approval. A request for information (RFI) is required for any contract greater than \$100,000. Contracts \$200,000 and greater require a formal request for proposal. Exceptions shall be approved and documented by the Vice President for Business & Finance/CFO.

### *Contract Performance*

Employees who request contracts are required to monitor compliance with the contract terms and performance and ensuring the third party is performing under the contract and not breaching the contract. In the event of non-performance or breach, the VP for Business & Finance/CFO shall be immediately notified and in conjunction with the requestor and the signature authority shall collaborate to determine next steps. Such next steps may include remedy, contract termination, or other legal action.

#### *Amendment, Renewal, Extension, or Termination*

Employees who request contracts as well as signature authorities shall collaborate to ensure that any contract amendments, renewals and/or extensions are consistent with the Contract Policy. For all general contracts, the Business & Finance Division shall keep record of renewal and extension dates.

In addition, any contract termination resulting from a contract breach shall be made in writing by either the AVP of Financial Services or the VP for Business & Finance/CFO.

#### **Conflict of Interest**

College employees are prohibited from initiating or signing contracts from which they will receive personal benefit or with any party with whom they have other than a business relationship.

In addition, trustees of the college who have an existing or potential conflict of interest shall adhere to Article XIV of the college bylaws.

#### **Recordkeeping**

For purposes of recordkeeping, audit reporting and/or execution of disbursements, fully executed original contracts should be promptly provided to:

- General contracts – Finance
- Academic contracts –Academic Affairs & Finance  
Gifts – Advancement & Finance

All contracts, once signed, will be stored electronically by Business and Finance.