

SECTION: 4.0 Administrative
SUBJECT: Contracts

Title: Review and Approval of Contracts

Background: All contracts must be processed through the Office of the Vice President for Finance and Administration, who shall retain a copy of the original document, either in hard copy or electronically.

Point of Contact: Vice President for Finance & Administration

Other Lewis-Clark State College offices directly involved with implementation of this policy, or significantly affected by the policy: President's Office

Date of approval by Lewis-Clark State College authority: January 9, 2019

Date of State Board Approval: N/A

Date of Most Recent Review: 1/2019

Summary of Major Changes incorporated in this revision to the policy: Clarified the review and signatory roles of the Vice President's.

1. POLICY STATEMENT

A. This policy establishes the processes for approving, signing, and executing all contracts to which the College is a party. Unless specifically excluded by this or another policy adopted by the Idaho State Board of Education, all contracts are subject to the requirements of this policy, and the policy includes all original contracts, amendments, grants, memoranda of understanding, agreements, alterations, modifications, corrections, changes and extensions.

B. The purpose of this policy is to:

1. Delineate required procedures to enter into and execute contracts binding the College;
2. Avoid unplanned and unauthorized commitments by managing them centrally within the Office of the Vice President for Finance and Administration;
3. Provide notice to external parties of the requirements that must be satisfied to enter a binding agreement with the College; and
4. Clarify the College's limited delegation of signature authority for any document that binds the College legally under contract.

C. This policy applies across all College departments and operations unless specifically provided otherwise herein.

SECTION: 4.0 Administrative
SUBJECT: Contracts

D. Any contract reviewed and authorized before this policy's adoption in compliance with then-existing policy remains in full force and effect. Any contract not signed as of this policy's adoption is void and of no effect until reviewed and authorized as set forth under this policy. Any contract modification or extension made after adoption is subject to review and authorization under this policy.

E. Any individual who signs a contract in violation of this policy may be disciplined or terminated for cause.

F. Under no circumstance will the College or the State of Idaho be bound to any new agreement that is entered into in any name other than "Lewis-Clark State College."

G. Under no circumstance is the College or the State of Idaho bound to any agreement that is not signed by a party authorized to sign the agreement as provided in this policy.

H. Under no circumstances may an employee obligate the College through a verbal agreement.

I. Exceptions to this policy include contracts for travel such as rental car agreements, hotel accommodations, and conference registration. Agreements with rental properties such as Airbnb are not considered exceptions to this policy.

J. Except as expressly provided otherwise herein, the only party with authority to sign a contract is the President or the Vice President for Finance and Administration.

II. PROCEDURES

A. To secure approval of a contract and the signature of the party authorized to sign the contract on behalf of the College:

1. In instructional units, the employee initiating the contract review must first obtain the approval of his or her supervisor the chair of the division initiating the contract review (or his or her designee) and the dean of the applicable school (or his or her designee).
2. In non-instructional units, the employee must obtain the approval of the President or appropriate vice-president before the contract is forwarded for contract review. For example, if the employee initiating the contract review works in Student Affairs, approval must be obtained by the Vice President for Student Affairs prior to routing it to the Vice President for Finance and Administration.
3. The contract must then be submitted to the Office of the Vice President for Finance and Administration or his or her designee for contract review and approval. In the

SECTION: 4.0 Administrative
SUBJECT: Contracts

absence of the Vice President for Finance and Administration, the contract may be routed to the President.

4. Contracts must be submitted at least three business days in advance of the signature deadline. Should the contract be submitted with less than three business days' notice, a memo describing the situation and why the three days' notice was not met must be attached.

5. Upon review, the Vice President for Finance and Administration or his or her designee, may submit the contract to the College's legal counsel, State of Idaho Risk Management, Controller's Office, or other such agency or department as necessary, for further review.

6. The Vice President for Finance and Administration will assist with contract negotiation upon request.

7. All contracts must be reviewed by the President, Vice President for Finance and Administration or at their request, legal counsel to assure compliance with Idaho Law and policies of the State Board of Education and Lewis-Clark State College.

a. No contract which causes the State of Idaho and the College to indemnify the external party may be signed, as prescribed by Idaho Law.

b. No contract requesting liability insurance from the College greater than \$500,000 may be signed, as prescribed by Idaho Law, without the approval of risk management.

c. The college requests liability insurance of 1 million per occurrence and 2 million aggregate and to be listed as "additional insured," in contracts. Any less must be approved by risk management. More insurance limits listed on the [Contractor/Vendor/Outside Business](#) form link.

B. In addition to complying with the requirements described above, contracts obligating the College to payments between \$250,000 and \$500,000 must be reviewed and approved by the Executive Director of the Office of the State Board of Education.

C. In addition to complying with the requirements described above, contracts requiring the College to pay more than \$500,000 must be reviewed and approved by the Idaho State Board of Education.

D. In addition to complying with the requirements described above, contracts granting a real property lease interest to the College must be reviewed and approved by the State of Idaho Department of Administration, Division of Public Works.

E. In addition to complying with the requirements described above, contracts for the purchase, sale, or exchange of real property must, in most cases, be approved in accordance with policy established by the Idaho State Board of Education.

SECTION: 4.0 Administrative
SUBJECT: Contracts

F. All contracts must be reviewed to determine whether there is liability regarding protected information, and any third party who holds Personally Identifiable Information (PII) must provide certification of compliance with all applicable regulations.

III. EXEMPTIONS

A. A College department or unit or a specific type of contract may be exempted from this policy by the President or Vice President for Finance and Administration subject to the following requirements.

1. The exemption must be in writing, signed by the President or Vice President for Finance and Administration.
2. Contracts involving the payment of more than \$10,000 by the College shall not be exempt unless the exemption is also signed by the Vice President for Finance and Administration.
3. The written exemption must be on file with the Office of the Vice President for Finance and Administration.
4. The Internship MOU to be used for students in programs where there is no professional liability fee may be signed by the Chair of that Division, unless the MOU is changed in any way other than naming the parties and locations. This MOU is located on the Provost's website at: http://www.lcsc.edu/media/5210874/MOU_Internships_final_May_24_2017.pdf

B. All agreements solely for the purchase of goods or services and which do not obligate the College other than for the payment of funds are exempt from the procedure described herein and shall be submitted through the established purchasing processes for review, approval, and signing. This includes agreements to purchase office supplies, maintenance items, cleaning supplies, etc.

IV. AUTHORITY TO REVIEW AND SIGN CONTRACTS

A. The President or the Vice President for Finance and Administration may delegate review and/or signing authority to a College employee over which she or he has direct oversight.

1. Such delegated authority must be in writing and a copy of the delegation of authority retained.

B. Before signing any contract, the signing party must confirm that the contract was submitted and reviewed in accordance with this policy.

V. CONTRACT RETENTION

The Office of the Vice President for Finance and Administration shall retain, either in hard copy or in electronic format, copies of all contracts signed on behalf of the College. That office shall further maintain an index of agreements and contracts signed for future reference.