

CONTRACTS ADMINISTRATION POLICY Q&A

1. Why do we need a Contracts Administration Policy?

A: So that we can consistently keep track of what institutional obligations W&L is taking on by designating those employees who have authority to bind W&L contractually and by providing for systematic review of contract terms that may create unacceptable financial, legal, or operational risks or otherwise create unintended obligations that are not in the best interests of the University, its faculty, staff, and students.

2. What “contracts” are covered?

A: All agreements (including those that may have been made verbally in the past) that obligate W&L to provide payment, services, goods, or use of University property, facilities or other resources to a third party – with the exception of Greek organization contracts.

3. Why should agreements always be in writing?

A: So that there is a record of the specific responsibilities and rights of W&L and other parties to the agreement. This is important in case a question comes up about who is supposed to do what under the agreement, how much W&L is to pay, or other terms. Certain types of agreements can't even be legally enforced unless they are written and signed.

4. What contracts should be sent to the Office of General Counsel for review before they are signed?

A: Any contract that requires the University to pay out more than \$10,000, as well as any contract that involves unique risks and liability to the University (regardless of the monetary amount of the contract). If you're not sure whether a contract involves unique risks or liability, err on the side of caution and send it to OGC for review. If you're using a form contract that OGC developed or approved, you do not need to send it each time you use it if you haven't changed the form.

5. When and how should I send a contract to the Office of General Counsel for review?

A: As soon as you have a proposed contract from a third party or once you're fairly certain you'll be entering into an arrangement for goods, services, or facilities with another party and need a contract, contact OGC. Please allow enough lead time for drafting, editing and further negotiations (if needed) before any deadline. Send all documents electronically as email attachments in Microsoft Word format, if possible, and include all documents that are cross-referenced or attached to the main contract.

6. Who else might need to review a contract?

A: Any department that will need to provide technical support, facilities, or personnel to fulfill W&L's obligations should review and approve the contract before it is signed. For example, a software contract should be reviewed by ITS to determine whether W&L can support the software; a private or federal grants contract should be reviewed by Corporations and

Foundations so they may coordinate with the affected faculty/staff; a contract for use of W&L property/facilities should be reviewed by Facilities Management, etc.

7. Who can sign on behalf of the University?

A: Under the policy, only the President, the Provost, and the Vice President for Finance and Administration / Treasurer have the authority to sign contracts that bind the University unless they have specifically delegated that authority in writing. All three have made limited delegations of contract signing authority. SEE Delegation of Contracting Authority (hot link).

8. What if I've signed contracts in the past – can I keep signing?

A: Not without written delegation from the President, Provost, or the Vice President for Finance and Administration / Treasurer. SEE Delegation of Contracting Authority (hot link) to determine if you have continued signing authority.

9. What if I sign a contract without authority or enter into a verbal agreement?

A: The University may decline to recognize an unauthorized contract as binding against W&L. You could be personally liable for fulfilling the agreement if the other party tries to enforce it.

10. Who should keep the original and copies of the contract when it has been signed by all parties, and for how long?

A: All fully-signed original contracts (including leases and purchase orders) should be promptly provided to the Business Office for purposes of recordkeeping, audit reporting, and payment. The Business Office should keep all contracts for five years from the expiration/termination of the contract. The University official who signs the contract is responsible for providing an electronic version of the signed contract to the OGC.