

South Carolina State University

Policy on the Authority to Sign Contracts

I. Policy

1. Rescission of Previous Signatory Authority. All previous delegations or appointments of authority to sign contracts and agreements or to negotiate and accept contracts and agreements binding upon the University are rescinded, and all previous resolutions or motions delegating such authority are revoked.

2. Definition. As used herein, the term “contracts and agreements” shall be understood to mean all legally binding documents with outside (non-University) parties executed on behalf of or in the name of South Carolina State University or any of its colleges, schools, departments, or units, including but not limited to contracts, research agreements, employment agreements, purchase agreements, lease agreements, license agreements, rental agreements, gift agreements, memoranda of understanding, letters of agreement, grants, deeds, settlement agreements, and applications.

3. Oral Contracts and Agreements. It is the express policy of the Board of Trustees that no oral contracts or agreements shall be binding on South Carolina State University.

4. State Law Requirement. Among other requirements, the law of South Carolina requires that any contract be governed by the laws of South Carolina and that there be no indemnification by the State to any third party.

5. Signatory Authority on University Documents.

A. Contracts Equal To or Less Than \$250,000

1. The President or his /her express designee for a particular matter of the University is delegated authority to sign contracts and agreements which are binding upon the University with a total value less than \$250,000. No contract or agreement shall become binding upon the University unless such contract or agreement shall be in writing and shall have the signature of the President or his/her express designee affixed thereto.
2. Upon the President’s approval, the Director of Procurement shall have the authority to sign official South Carolina State University purchase orders with total values less than \$250,000 provided such purchase orders comply with the provisions of the South Carolina Consolidated Procurement Code.
3. The General Counsel shall have the authority to sign documents related to administrative or judicial proceedings, or matters undertaken to protect the rights or assets of the South Carolina State University, excepting settlement agreements.

B. Contracts Greater Than \$250,000

1. Contracts and agreements with a total value in excess of \$250,000 require the signature of the President and the Chairman of the Board upon approval of a majority of the Board of Trustees.

6. Athletics Department Administrators/Head Coaches. In addition to the President’s signature, all employment agreements for athletics department administrators/head coaches in excess of one year shall require the approval of a majority of the entire Board of Trustees.

7. Contract Review. Except as provided otherwise in this policy, no element of the institution is authorized to prepare contracts and agreements and offer the same for acceptance by outside (non-University) parties without prior review of such contracts and agreements by the Office of the General Counsel.

8. Contract Repository. In accordance with the University's Records Retention Schedule, the Office of the General Counsel shall maintain a file containing original contracts and agreements or duplicate originals as the case may be to which the University is a party. The Chairman of the Board of Trustees and the General Counsel shall have the authority and duty to review and evaluate all aspects and implications of University contracting, reporting to and advising the President and the Board of Trustees thereon.

II. Procedure

The procedure for routing contracts for signature is outlined by the following flowchart. For contracts equal to or less than \$250,000, follow steps 1-5 and 7. For contracts greater than \$250,000, follow steps 1-7.

-
- Step 1** *Consult* with the General Counsel's Office for preliminary discussions.
-
- Step 2** *Secure* at least two contracts with supporting documentation from the contracting agency or vendor. This practice will provide an original contract for the General Counsel's Office and an original for the contracting agency/vendor. If the department desires an original copy also, a third original contract may be added.
-
- Step 3** *Complete* a Contract Routing and Approval Form located on the University's website under the University Forms/Legal tab. After completing all required information in the first box, print and sign the form as the originator. Then, forward it with the contract to your supervisor(s) for approval/signature.
-
- Step 4** *Obtain* the signatures of the Vice President for Finance and Management, or express designee, and the Director of Procurement in the second box.
-
- Step 5** *Forward* the form and contract to the General Counsel's Office (Lowman Hall 309) for review. After legal review, the General Counsel's Office will secure the President's signature/approval if it meets approval. Once approved by the President, a courtesy call will be made to the originator to determine if the document should be returned through campus mail or if it will be picked up.
-
- Step 6** *If the contract amount exceeds \$250,000 and the President has signed the contract, Submit* the contract to the Board of Trustees Office to secure approval and signature by the Chairman.
-
- Step 7** *Return* one executed original to the General Counsel's Office after all parties have signed the contract and initialed any changes therein.
-