



CONTRACT MANAGEMENT Administrative Procedure

Approved By: President
Effective Date: March 1, 2019
History: v.1
Approval Date: March 1, 2019
Type: Administrative Procedure
Responsible Officials: Executive Vice President, General Counsel

Administrative Procedure Statement

This Contract Management Administrative Procedure (the “Procedure”) serves to implement the Contract Management Policy (the “Policy”) of Wake Forest University (the “University”) by establishing processes regarding the oversight, review, execution, and storage of written agreements intended to create legally binding obligations on the University.

The Policy covers all contracts related to the business of the University, except for (a) contracts relating to the acquisition or disposition of non-leasehold Real Estate and (b) employment contracts, and addresses the need for review by the University’s Legal Department of all contracts for \$250,000 or more. This Procedure document provides guidelines regarding the review process for any University contract, regardless of subject matter or amount, unless the contract is identified as being exempt from the contract administration review process in an exhibit to this Procedure.

Related Policies

Contract Management Policy; Policy Number: 5.9.01
Procurement Policy; Policy Number: F_PS_01

Contact(s)

Contracts Administrator: contracts@wfu.edu.

Exhibits

Exhibit A – Contract Authority

Exhibit B – Exceptions to Administrative Procedure

Exhibit C – Contract Routing Form

Definitions

“**Contract**” is defined in the Policy as “any obligation of the University requiring the performance of services, the use or transfer of property, or the payment or receipt of money to, by, for, or from the University.” For purposes of the Policy and this Procedure, a renewal, amendment, addendum, change order, or any similar document intended to modify the terms of an existing contract is considered a contract.

“**Contract Authority**” refers to the authority granted to an individual to execute a written contract with a third party on behalf of the University, in accordance with the terms of the Policy.

“**Contract Monitor**” is the University’s faculty or staff member with the duty to implement or monitor a contract between the University and a third party in connection with a particular transaction. The Contract Monitor serves as the primary point of contact with the Contracts Administrator throughout the contract management process described in this Procedure. Typically, this person has direct, personal oversight concerning the method, manner, and quality of the products or services for which the contract is entered. The Contract Monitor is also the person ultimately responsible for overseeing the performance of a contract following the execution of the contract, even if that function is delegated.

“**Contracts Administrator**” is the individual reporting to the Legal Department and Procurement Services who is responsible for the ongoing oversight of the Policy and the implementation of this Procedure.

“Contracts in the Ordinary Course of Business” are defined in Section 3.a. of the Policy as follows:

- i. Contracts relating to support from state and federal agencies with regard to scholarships, capitation provisions, and other support provided to or for members of the student body.
- ii. Contracts relating to grants for funded research in areas of activity which are within the course of the University’s academic programs.
- iii. Contracts relating to services, supplies, maintenance, and other operational matters in connection with activities regularly carried on in connection with the University and its programs and made within Board-approved budgetary authority. For purposes of this Policy and the Administrative Procedure, multi-year contracts involving operating expenses that have been approved by the Board for at least one year within the University’s budget are considered to be contracts made within Board-approved budgetary authority. A Board-approved budget may include the placement of multiple operating expenses under a single budgetary line item.
- iv. Contracts relating to capital expenditures made within Board-approved budgetary authority. For purposes of this Policy and the Administrative Procedure, multi-year contracts involving capital expenditures that have been approved by the Board for at least one year within the University’s budget are considered to be contracts made

within Board-approved budgetary authority. A Board-approved budget may include the placement of multiple capital expenditures under a single budgetary line item.

“**Expenditure Authority**” refers to the authority granted to an individual to approve payment for a University obligation in connection with the authorized procurement of goods or services by the University.

“**University**” includes, for purposes of this Procedure, Wake Forest University and its unincorporated schools, programs, departments, and operating units, including but not limited to Wake Forest College, Wake Forest University Graduate School of Arts and Sciences, Wake Forest University School of Business, Wake Forest University School of Divinity, Wake Forest University School of Law, and the unincorporated centers and institutes within each such School; Graylyn International Conference Center; WFDD 88.5 FM; and Wrought Iron Productions. For purposes of this Procedure, “University” does not include Reynolda House, Wake Forest University Baptist Medical Center or Wake Forest University Health Sciences, or their subsidiaries.

Guidelines

Overview

The Policy sets forth the authority of the President of the University and his or her designees to enter contracts on behalf of the University. As provided in the Policy, the attached Exhibit A establishes the President’s delegations of this authority in effect as of the date noted on Exhibit A.

This Procedure distinguishes Contract Authority, which relates to agreements with third parties and is administered pursuant to this Procedure, from Expenditure Authority, which relates to intra-University requests for payments to third parties and is administered under the authority of the Executive Vice President and pursuant to the University’s Procurement Policy and Spend Authority Administrative Procedure. Contract Authority is, by design, more limited than Expenditure Authority. An individual who is authorized to request a payment by the University’s Accounts Payable office in connection with the purchase of goods or services will not necessarily be the same individual who is authorized to sign a contract with a third party documenting such purchase, should a written agreement be required.

Signing a contract on behalf of the University is an important responsibility and should be performed only by an individual with the authority to do so and with an understanding of the obligations being undertaken. A person who signs a contract on behalf of the University without authority may be subject to disciplinary action up to and including termination, and may also assume personal liability for the obligations under that contract. The University reserves the right to reject the terms of a contract signed by an individual without contract authority unless the President of the University, or his or her authorized designee, subsequently agrees that the University will honor the contract.

This Procedure is intended to create a system of review and oversight that ensures compliance with the Policy and leads to the centralized management of University contracts. The Procedure assumes that those who present contracts for approval and signature have followed the normal business practices and policies of the University relating to initiating a business relationship or transaction, including, but not limited to, compliance with the University’s Procurement Policy.

It is the responsibility of any Contract Monitor who presents a contract for review, and of any individual executing a contract on behalf of the University, to read and understand the terms and conditions of the contract. If the contract requires the expenditure of University funds, it is the responsibility of the authorized signatory to ensure that funding is available prior to submission for review.

Contract Management Process

Except as otherwise provided in Exhibit B to this Procedure, all contracts should be directed to the Contracts Administrator as follows:

1. The Contract Monitor should complete the contract intake form (a template of which is provided as Exhibit C to this Procedure), either printed or electronically, and provide an electronic draft of the contract in Microsoft Word or another editable format to the Contracts Administrator.
2. The Contracts Administrator will review the contract intake form and determine, in light of University policies, whether review of the contract by other departments or units within the University (e.g., the Legal Department, Risk Management, and/or Information Systems) is necessary. The Contract Monitor will remain responsible for obtaining all business-related approvals within the University relating to the contract.
3. The Contracts Administrator, when requested, and together with a University attorney as warranted, will assist the Contract Monitor in negotiating the terms and conditions of the contract and resolving differences with third parties as they arise.
4. Upon completion of contract negotiations, the Contracts Administrator will assist the Contract Monitor as necessary in (a) obtaining third party signatures and (b) routing the agreed upon contract to an authorized University signatory for execution. If all parties to the contract agree to the use of signature by digital or electronic means, the contract may be executed with digital or electronic signatures where there is reasonable certainty of the identity and agreement of the signers. For these purposes, “digital or electronic signature” means an electronic sound, symbol or process attached to or logically associated with a contract and executed or adopted by a person with the intent to sign the contract. Many commonly used software applications are capable of affixing digital or electronic signatures.
5. Upon receipt of the fully executed contract, the Contracts Administrator will return an original (if available) to the Contract Monitor and retain a copy for the Contracts Administrator’s files.
6. Upon execution of the contract, the Contract Monitor or his or her designee will be responsible for establishing a consistent, documented process to ensure that (a) goods and/or services are delivered according to the contract; (b) payments, prior to being made, are supported and validated according to contract terms; (c) contract dates or milestones, such as renewal periods, are tracked and addressed in a timely manner; and (d) these duties are appropriately transitioned in the event the Contract Monitor assumes a different role.

Database Management

The Contracts Administrator, in conjunction with the Legal Department and Financial Services, will maintain and update a contract management database for the purpose of retaining and monitoring executed contracts. Except for certain types of contracts specifically noted in Exhibit B, all fully executed contracts should be forwarded to the Contracts Administrator for inclusion in the contract management database, regardless of whether a contract is routed to the Contracts Administrator at the outset of the review process or is exempt from review pursuant to Exhibit B.

EXHIBIT A
to Contract Management Administrative Procedure

Contract Authority

The table below sets forth the authority of individuals within the University to enter into Contracts in the Ordinary Course of Business (as defined in Section 3.a. of the University’s Contract Management Policy and reprinted in the Procedure) with third parties. The Spend Authority Administrative Procedure addresses the authority of individuals within the University to make requests of the University’s Accounts Payable office in connection with the purchase of goods or services. An individual who is authorized under the Spend Authority Administrative Procedure to make such an intra-University request for payment will not necessarily be the same individual who is authorized under this Exhibit A to sign a contract with a third party documenting such purchase, should a written agreement be required.

Pursuant to Section 3 of the University’s Contract Management Policy, individuals holding the positions set forth below are authorized to enter and execute, on behalf of the University, contracts in the ordinary course of business relating to the respective areas of responsibility of each person holding the positions named below:

Authorizations under Section 3.b. of the Contract Management Policy

<u>Title</u>	<u>Authority Limit</u>
President	Unlimited
Executive Vice President (Chief Financial Officer)	Unlimited

Delegations of Authority under Section 3.c.i. of the Contract Management Policy

The President of the University has delegated Contract Authority directly to the individuals holding the positions specified below, in the amounts noted.

<u>Title</u>	<u>Authority Limit</u>
Provost	\$1,000,000
Director of Athletics	\$1,000,000
Director, Office of Research and Sponsored Programs (for sponsored research and grant agreements)	\$750,000
Vice President of Innovation and Career Development	\$500,000
Senior Vice President & General Counsel	\$500,000
Vice President for Campus Life	\$500,000
Vice President for University Advancement	\$500,000
Chief of Staff	\$500,000
Vice President (Charlotte Program)	\$500,000
Vice President and Chief Human Resources Officer	\$500,000
Vice President, Facilities and Campus Services	\$500,000
Vice President for Finance	\$500,000
Vice President of Information Technology (Chief Information Officer)	\$500,000
Vice President, Strategy and Operations	\$500,000
Dean of the College	\$250,000
Dean of the School of Business	\$250,000
Dean of the School of Law	\$250,000
Dean of the School of Divinity	\$250,000

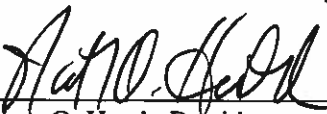
Dean of Graduate Programs in Arts and Sciences	\$250,000
Dean of Graduate Programs in Biomedical Sciences	\$250,000
Dean of the Z. Smith Reynolds Library	\$250,000
Dean of Residence Life and Housing	\$250,000
Associate Provost for Global Affairs	\$250,000
Associate Provost for Research and Scholarly Inquiry	\$250,000
Associate Vice President, Hospitality & Auxiliary Services	\$250,000
Executive Director of Real Estate	\$250,000
Assistant Vice President, Financial Operations	\$100,000
Director, Maintenance & Utilities Operations (Facilities and Campus Services)	\$100,000
Senior Director, Procurement & Payment Services	\$75,000
In the case of procurement contracts and guest speaker or performer agreements, anyone with Expenditure Authority of \$100,000 or more as set forth in the Spend Authority Administrative Procedure	\$10,000

Delegations of Authority under Section 3.c.ii. of the Contract Management Policy

The Provost, the Director of Athletics, and certain Vice Presidents and Deans named in the immediately preceding list (Delegations of Authority under Section 3.c.i. of the Contract Management Policy) have delegated Contract Authority to the individuals holding the positions specified below, in the amounts noted.

<u>Title</u>	<u>Authority Limit</u>
Assistant Provost for Budget & Planning	\$250,000
Senior Associate Director & CFO of Athletics	\$250,000
Executive Director, Operations & Finance (Advancement)	\$250,000
Associate Vice President, Finance & Operations (Campus Life)	\$250,000
Assistant Vice President & Controller	\$250,000
Assistant Dean for Finance and Administration	\$100,000
Chief Administrative Officer, School of Business	\$100,000
Budget Director, School of Law	\$100,000
Director, Financial Services (Graduate Programs in Arts and Sciences; School of Divinity)	\$100,000
Director, Graduate School of Arts and Sciences, Biomedical Sciences	\$100,000
Associate Dean, Z. Smith Reynolds Library	\$100,000
Associate Vice President and Executive Director, Office of Personal and Career Development	\$25,000

The delegation of Contract Authority reflected above amends, restates, and supersedes any practice, policy, delegations or guidelines regarding its subject matter, including but not limited to the Wake Forest University Authorization Approval Levels chart dated July 18, 2005. The authority limits set forth above are in effect as of March 1, 2019, and remain in effect until modified in an amendment to this Exhibit A signed by the President of the University.



 Nathan O. Hatch, President

EXHIBIT B
to Contract Management Administrative Procedure

Criteria for Exemption from Contracts Administration Review Process

All contracts are subject to the Contract Management Policy and to the Contract Authority provisions set forth in Exhibit A to this Procedure. As an exception to the Procedure, as of March 1, 2019, the contracts noted below do not require submission to the Contracts Administrator for review prior to execution; however, such contracts should be processed in accordance with applicable University policies and procedures.

EXCEPT FOR CONTRACTS IN CATEGORIES MARKED WITH AN ASTERISK (*) BELOW, all fully executed contracts should be forwarded to the Contracts Administrator for inclusion in the contract management database, regardless of whether a contract is routed to the Contracts Administrator at the outset of the review process or is exempt from review pursuant to this Exhibit B.

Real Estate Contracts

Agreements for the purchase, sale, or lease of real property

Employment Contracts*

Academic appointment letters

Employment agreements

Agreements Involving the University's Receipt of Gifts*

Fund agreements

Charitable remainder trusts and other split-interest gift arrangements

Naming rights agreements

Agreements Involving the Sale, License or Assignment of University Intellectual Property*

Copyright assignments or licenses

Patent or trademark license agreements

Agreements regarding the use of the University's name(s), mark(s), or other intellectual property

Certain Purchasing Agreements

Procurement contracts with a value at or below \$10,000

Guest speaker or performer agreements with a value at or below \$10,000

Amendments, modifications, renewals, and/or extensions to an existing contract for the purchase or license of library materials when the revision is limited to (a) an extension of the term, and/or (b) a change in the cost of the contract, and/or (c) the addition or deletion of titles.

Sponsored Research or Grant Agreements and Certain Related Agreements*

Sponsored research or grant agreements reviewed by the Office of Research & Sponsored Programs

Confidentiality and non-disclosure agreements relating to sponsored research or grant agreements

Material transfer agreements, data use agreements, materials analysis or services agreements, and similar contracts ordinarily reviewed by the Office of Research & Sponsored Programs

Certain Other Agreements

Agreements using pre-approved University templates, as directed, for the engagement or retention of contractors or consultants in amounts not exceeding \$250,000.

Memoranda of agreement or memoranda of understanding among or between one or more subsidiaries, schools, departments, or operating units of the University
Contracts that generate \$10,000 or less of revenue for the University during the term of the agreement and any extension or amendment

EXHIBIT C
to Contract Management Administrative Procedure

Template Contract Intake Form

Contract Monitor Name: _____
 Department: _____
 E-mail and Phone: _____

Name of non-WFU party to the contract: _____
Name and contact information of third party counterpart: _____

The contract is [select one]: ___ new ___ a renewal ___ an amendment
(Note: If the contract is a renewal of or amendment to an existing contract, please provide a copy of the existing contract.)

Brief description of the goods and/or services that will be provided under the contract:

Beginning date of contract: _____
Ending date of contract: _____

The contract results in [select one]: ___ income to ___ an expenditure by WFU.
Total anticipated amount of WFU's expenditures under the contract: _____
Are WFU's expenditures under the contract budgeted or non-budgeted? _____

Was the contract prepared using an approved WFU template? _____

Does the contract adequately describe the business terms of the agreement, as you understand the proposed transaction? _____

Name and title of the senior administrator in the Contract Monitor's department who has read and approved the business terms of this contract: _____

Questions or concerns regarding this contract: _____

Date submitted to Contracts Administrator: _____
Requested return date: _____

Signature of Contract Monitor