Policy 102.1

1 Purpose

1.1 This policy describes the general parameters through which a University contract might be proposed, the administrative review and approval process, and the individuals authorized to sign University contracts.

2 Scope

2.1 This policy applies to all University employees including faculty, staff and student employees and the members of the Board of Trustees.

3 Definitions

3.1 Chancellor’s Designees

means the Vice Chancellor and Chief of Staff, the Provost and Executive Vice Chancellor, the Vice Chancellor for University Advancement, the Vice Chancellor for Business Affairs, the Vice Chancellor for Student Affairs, the Director of Human Resources, and the Athletics Director.

3.2 Signature

To sign a Contract means to affix any personal identifier to a hardcopy, electronic version, or other form of Contract with the intent to agree to the obligations therein. Signing includes, but is not limited to, affixing a handwritten signature, causing a digital signature to be affixed, typing a name or initials, and clicking an “I Agree” box online.

3.3 University

means Appalachian State University.

3.4 University Contract

A University Contract is any document that legally binds the University to another party, including any agreement in which either party promises to take specific actions or to refrain from taking certain actions. A Contract could be called an affiliation agreement, memorandum of understanding (“MOU”), terms and conditions, letter of agreement, purchase order, or any number of other labels. A Contract might or might not involve the payment of money. Online terms and conditions that must be accepted prior to using a product or service are also considered Contracts under this Policy.

In general, agreements entered into solely on behalf of Appalachian State University Foundation, Inc., other nonprofit corporations that support the University, a student organization, or private individual in his or her individual capacity are not University contracts. The term “University Contract” also does not include agreements between different departments or units of Appalachian State University.

4 Policy Statements

4.1 Contract Requirements

4.1.1 All University Contracts must be made in writing and include at a minimum the following information:

1. The name, address (including remit to address) and social security or tax identification number of the person or legal entity with whom the contract is entered; and
2. A detailed description of the services to be performed or the goods or other property that are the subject of the contract; and
3. The total amount of compensation, if any, for services performed or goods purchased.

4.2 Responsibilities of Person Initiating Contract
4.2.1 The person initiating any University contract ("Designated Contact") is responsible for reading the contract in its entirety to determine that: the contract language accurately reflects the current state of negotiations; the contract meets the programmatic needs and mission of the University; the contract is in the best interest of the University; and the contract is sufficiently clear and consistent so that the University’s rights and obligations are easily understood.

4.2.2 If the proposed contract may implicate other University units, departments or resources outside of the recommending unit (e.g., financial obligations outside of the unit’s budget, telecommunications or IT support, space requirements, facilities support, etc.) the contract must also be reviewed and approved by Division Heads of the other affected units.

4.2.3 In the event a contract for software is sought by the Designated Contact, the software must go through the University Software Acquisition Process prior to legal review. This shall include all software to be utilized by the University, regardless of cost.

4.2.4 Once the contract has been satisfactorily reviewed by the designated contact and all other affected units, including IT as required, the draft shall be uploaded into Total Contract Manager ("TCM") as a contract request.

4.2.5 The Department requesting review shall upload the contract into TCM at least three weeks prior to the deadline. The Department shall also provide the email and phone number of the Designated Contact who has performed the above review of the contract contents and has been involved in the negotiations of the business terms along with all other requested information into the contract request form in TCM.

4.3 Administrative Review and Approval of Contracts

4.3.1 Upon completion of the approval process in TCM, University contracts will be assigned to and reviewed by the Office of General Counsel as to form and legal sufficiency. The Office of General Counsel will advise appropriate University officials as to contract terms and conditions that are mandatory, prohibited or within University officials’ discretion to negotiate.

4.3.2 Performance of any contract may not begin prior to full approval and execution by an authorized University official. Backdating of a contract is not permitted.

4.3.3 The Office of General Counsel will not review contracts to determine whether they represent the “best deal” for the University with regard to price, quality or efficacy of goods or services. These are business decisions that should be made by the Designated Contact in consultation with their Vice Chancellor or other Division Head.

4.3.4 The Office of General Counsel shall determine whether further institutional reviews are necessary prior to submission of the contract for execution.

4.3.5 At the completion of all necessary reviews and negotiation of terms, the Office of General Counsel will send the final contract redline to the Designated Contact or the contact listed in TCM for the other party for review. If the non-University party proposes additional changes, those changes must be sent back to the Office of General Counsel for additional consideration.

4.4 Authorized Signatures, Delegations of Authority

4.4.1 Only the Chancellor, or the Chancellor’s designee, is authorized to enter into contracts on behalf of the University. The Chancellor has designated authority to the Chancellors Designees to sign contracts within their respective scope of authority. Those Chancellor Designees may further delegate the authority to other University employees. Such delegations must be made in writing and must specify the extent and duration of the delegated authority. Copies of all written delegations will be drafted and maintained by the Office of General Counsel.

4.4.2 Policies of The University of North Carolina authorize the President of The University of North Carolina to execute certain sponsored program Contracts. To expedite sponsored program Contracts, the President of The University of North Carolina has delegated to certain named individuals at each institution the authority to sign applications for grants, contracts or cooperative agreements and internal processing forms on behalf of the institution’s chancellor and chief financial officer. No other persons are authorized to sign such documents for those officers.

4.5 Unauthorized Signatures

4.5.1 The University does not recognize contracts signed by University employees or agents as binding on the University unless the employee who signed the Contract has delegated signature authority. Employees who sign a Contract purporting to bind the University without authority properly delegated as described in this policy may be held personally liable under the Contract and may be subject to University disciplinary action.

4.6 Retention of University Contracts

4.6.1 Each Division Head shall designate a repository for retention of contracts originating from that official’s division that bear
the original signatures of all parties. If a contract is submitted and approved through TCM, the contract will be housed in the system bearing all official signatures once finalized.

4.6.2 University contracts shall be kept for the appropriate amount of time pursuant to the University of North Carolina General Records Retention and Disposition schedule or such other schedule as may be approved by the North Carolina Department of Cultural Resources.

4.6.3 The Office of General Counsel shall not be responsible for retaining fully-executed contracts.

4.7 Public Records Requests

4.6.1 Most University contracts are public records within the meaning of the North Carolina Public Records Act and are subject to inspection or disclosure to the public unless a statutory exception applies. All requests by the public for copies of University contracts shall be handled in accordance with the University's Public Records Requests Policy.

5 Authority

The UNC Policy Manual, Chapter 100.1, The Code, Section 502:
N.C. Gen. Stat. § 116-34(a)

6 Contact

Business Affairs | 828-262-2030 | Business Affairs