

# USCA Contract Guidelines

## 1. Approval and Execution of Contracts

- a. Only the Chancellor (or someone that is designated in the Chancellor's absence) may execute a contract on behalf of the University. Contracts signed by any individual who does not have documented signature authority are not binding on the University, but may subject the individual who signed without authority to personal liability.
- b. All contracts \$25,000 and over must get approval from General Counsel in Columbia. If your department has an attorney that you have traditionally worked with in the GC office and you know in advance that your contract will need to have GC approval, it is fine to correspond directly with your contract. HOWEVER, the Chancellor is the only person who can sign a contract on behalf of the University, so once legal has approved, the contract must still go through the CARF process. It is fine to send an attached note on the CARF stating that Columbia has approved as it moves its way through the other signatures.

**We do ask that you limit direct correspondence to the legal team in Columbia to those contracts that you are relatively certain will need to get General Counsel approval.** We do not want to inundate the Columbia team with contracts that do not require them to sign off. It only adds more time to the overall approval process here on campus, as you will need to follow our procedure additional to their approval.

- c. Before being executed by the Chancellor, a contract binding the University should usually be reviewed and approved by other individuals. Generally, a contract requires review and approval of the following individuals (or their documented designees):
  - i. The University employee initiating the contract
  - ii. The Department or Division Head
  - iii. Vice Chancellor within the Division
  - iv. Budget Officer/Controller
  - v. Vice Chancellor for Finance and Administration
  - vi. Chancellor's Office (Legal Liaison and Chancellor)
- d. **PLEASE DO NOT SKIP OR JUMP STEPS IN THE APPROVAL PROCESS.** Follow the order of review to avoid confusion, misplacement of documents, and inaccurate information.
- e. The Chancellor's Office/Legal Liaison do not keep hard copies of contracts in their offices or track where contracts are located during the process. This is the responsibility of the initiating department.
- f. The University employee initiating the contract, Department or Division Head, and Dean or Director are responsible for reviewing a contract to confirm each of the following within their appropriate departmental level of knowledge and expertise:

- i. The language is accurate and complete and reflects the current state of negotiations; no additional understandings exist but are not included in the contract; all exhibits are attached; and the Department or Division is willing and able to comply with the terms.
- ii. The contract is appropriate to the University's mission, complies with applicable University System and University policies, meets programmatic and operational needs, and the unit can furnish the services, materials, or funds required.
- iii. Alternative activities, actions, or providers have been considered and those designated in the contract represent the most feasible and reasonable
- iv. The contract is sufficiently clear, consistent, and fiscally prudent.
- v. No conflicts of interest exist or any potential or actual conflicts of interest have been reported and managed according to University policy.
- vi. All appropriate reviews and approvals are documented.
- vii. The contract is appropriate and necessary to the University's mission and priorities and is not in conflict with the needs, mission, or priorities of any other division within the University.

## 2. Contract Retention

- a. **Each unit should maintain a final, fully-executed copy of all contracts initiated by that unit.** Each unit is responsible for complying with any contract provisions addressing document retention. Each unit should be prepared provide a copy of the fully executed contract upon request from the Chancellor's Office/Legal Liaison.
- b. Each unit should keep a quick reference document that has that mirror the information on the chart below:

A	B	C	D	E	F	G	H	I	J	K	L	M
<i>Tracking #</i>	<i>Date Received in Office</i>	<i>MOU/Contract</i>	<i>Contract Category</i>	<i>Contract Type</i>	<i>Amount</i>	<i>Start Date</i>	<i>End Date</i>	<i>Contract Length Annual, Long-lasting, short term</i>	<i>Brief Description</i>	<i>Company Contact</i>	<i>Company Business</i>	<i>USCA Contact</i>

## 3. Contract Administration

- a. Unless otherwise provided by University policy, the initiating unit is primarily responsible for monitoring and carrying out the University's obligations under a contract. Failure to monitor contract requirements may expose the unit or University to financial loss, legal actions, and claims of breach of contract or default. Any questions about these matters or this policy should be brought to the attention of the Legal Liaison.

## 4. Contract Checklist

- a. Please see the Contract Checklist and use as a guide for looking contracts over **before** sending through the CARF Process. **This should be kept on file within your department with your files for the contract.**

## 5. Timeliness

- a. Please allow at least two weeks for the approval process. Everyone will work to ensure that things move as quickly as possible, but each department must take into account possible absences for necessary individuals, departmental backup, human error, etc. This is why it is imperative for units to follow the process and track their contracts.
- b. General Counsel is located in Columbia on the University of South Carolina campus. At any time, a contract may be deemed to need GC approval before the Chancellor can sign it. This will require additional time so it is of high importance that the process is followed.