**3356-3-04 Contract compliance and administration.**

Responsible Division/Office: Finance and Business Operations

Responsible Officer: VP for Finance and Business Operations

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Board Committee: Finance and Facilities

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Next Review: 2027

(A) Policy statement. Youngstown state university (university) will adhere to all applicable federal and state laws and regulations when it engages with contractors, consultants, suppliers, vendors, and other entities.

(B) Purpose. This policy defines the general parameters through which a university contract is created, stipulates the necessary administrative review and monitoring processes, and designates who within the university is authorized to sign contracts on behalf of the university, its employees, or agents.

(C) Scope. This policy applies to all financial and nonfinancial university contracts except for employment contracts administered by the office of human resources.

Partnerships, centers, and related agreements relating to teaching/learning, research/scholarship, and community service goals are addressed pursuant to rule 3356-10-22 of the Administrative Code (see university policy 3356-10-22, “Partnerships, centers and related arrangements”). Grants, contracts, and cooperative agreements for sponsored programs are addressed in rule 3356-10-13 of the Administrative Code (see university policy 3356-10-13, “Research, grants, and sponsored programs”).

(D) Definitions.

(1) “Contract” – a legally binding and enforceable agreement between the university and one or more competent parties.

(2) “Standard contract” – a contract using the university’s standard terms and conditions and effectuated by the university’s standard professional services agreement template or standard independent contractor agreement template both of which are available on the procurement services website.

(3) “Non-standard contract” – a contract that does not conform to the university’s standard template for a professional services agreement or standard independent contractor agreement.

(4) “Contract compliance” – the process of reviewing and overseeing contracts in accordance with requisite legal and policy requirements.

(5) “Contract administration” – the process used to ensure that the terms and conditions of contracts are being implemented pursuant to the contract.

(4) “University sponsor” – the university employee who is administering and managing the contract. Typically, the university sponsor is the financial manager of the budget to which the contract is charged.

(E) Procedures.

(1) For purposes of institutional efficiency, use of the university’s standard contract templates are the preferred.

(2) Contract compliance is the responsibility of the office of finance and business operations. The university sponsor of a contract is responsible for monitoring the ongoing progress of a contract and providing requisite information to procurement services. Procurement services is responsible for providing assistance for purchases and payments pursuant to a contract.

(3) All contracts for the purchase of goods and services must comply with rule 3356-3-01 of the Administrative Code (see university policy 3356-3-01, “Purchasing”).

(4) All contracts should be accompanied by documentation that university funds have been identified and earmarked to cover contracts costs.

(5) All contracts must be stored and retained in accordance with the university’s document retention policies unless specifically excluded by this or another policy adopted by the board of trustees.

(6) Refer to the contract compliance and administration guide on the [procurement services website](http://cms.ysu.edu/administrative-offices/procurement-services/procurement-services) for additional information regarding contracts.

(F) Signature authority for non-standard contracts**.**

(1) Only the president and the vice president for finance and business operations, or their designee, have the authority to sign a non-standard contract on behalf of the university.

(2) The provost has authority to sign and approve academic affiliation and articulation agreements that have no direct financial consequences to the university.

(3) No other individual has authority to enter into a non-standard contract for the purchase of goods or services or otherwise obligate Youngstown state university to pay any sum or money without one of the following:

(a) A resolution of authorization from the board of trustees;

(b) A written declaration of signature authority from the president or the vice president for finance and business operations filed with the contract;

(c) A purchase order issued by or under the direction of the director of procurement services.

(G) Signature authority for standard contracts (professional services agreement and standard independent contractor agreement:

(1) Financial managers are authorized to sign limited-dollar standard contracts pursuant to the university’s procurement guidelines.

(H) Legal review. The following types of non-standard contracts are subject to legal review:

(1) All contracts for the acquisition of goods and services;

(2) Construction contracts, including repair or alteration of facilities, and for architectural and/or engineering services;

(3) Real estate transactions, including the sale, rental or lease of real property must comply with rule 3356-4-05 of the Administrative Code (see university policy 3356-4-05, “Acquisition of real estate”);

(4) Contracts/agreements associated with the intellectual property of the university, including licensing agreements, patents, trademarks, and copyrights;

(5) Employment contracts, if deemed necessary by the chief human resources officer;

(6) Contracts intended for the president’s signature or that affect the president or the office of the president;

(7) Contracts that can potentially expose the university to significant liability.

(I) Document retention. Copies of all fully executed (signed by both parties) contracts must be submitted to procurement services to be recorded and monitored through a central database.

(J) Personal liability. An individual who enters into a contract for the purchase of goods or services or otherwise obligates the university to pay any sum or money or resources without appropriate authority and/or review may be held personally liable for the terms of the contract.