

<b>Applicable Employee Classes:</b> All Florida Tech Employees	<b>Reviewed Date:</b> July 2020	<b>Approved by:</b>  Dr. T. Dwayne McCay, President
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## SIGNATURE AUTHORITY/CONTRACT POLICY

### PURPOSE

The purpose of this policy is to establish the limits of authority granted to individuals by the University's Board of Trustees and delegated by the Chief Executive Officer concerning the approval and execution of contracts or other agreements that bind the University, other than agreements related to, the incurring of debts, agreements for major construction and agreements for the disposition or acquisition of land or buildings. This policy is established to minimize financial, legal, and related risks and to ensure that appropriate fiscal and management controls are in place for safeguarding the University's assets, for purposes of internal control and assuring that legal obligations benefit the entire institution. This policy applies to all faculty, administrators, staff, student employees, and agents of the university.

### LIMITATIONS IMPOSED BY THE UNIVERSITY'S BYLAWS

Pursuant to the University's bylaws, the President, as Chief Executive Officer of the University, is authorized to sign any and all Contracts for the University, subject to prior approval of the Board of Trustees for any contract or transaction which binds the University or any of its affiliated entities for a period of time in excess of five (5) years or which obligates the University or any of its affiliates to pay an aggregate amount in excess of \$1,000,000. The President is authorized to delegate this authority. It is a violation of this policy to divide orders for the purpose of holding purchases below the monetary cap.

### DEFINITION OF TERMS USED IN THIS POLICY

**Contract** means any writing that contains any terms, conditions, representations, disclosures, assurances, or commitments that purport to be binding upon, and enforceable against, the University. The term "**Contract**" is not limited to any particular form of writing or agreement and it specifically includes, without limitation, lease agreements, financing agreements, credit arrangements, engagement letters, binding proposals, letter agreements, and memoranda of understanding (MOU), any memoranda of agreement (MOA), purchase orders, licenses, indentures, grants, cooperative agreements, and affiliation agreements. As used in this policy a "**Contract**" specifically includes any binding commitment, even if it does not require the payment of funds or other compensation.

**Contract Term** means the number of months/years during which the University is bound under any Contract, which shall be calculated to include any extension of the term of the contract that would occur unless one of the parties is required to take an affirmative act to avoid the extension.

**AUTHORIZED CONTRACTING OFFICERS**

Contracts may be signed only by the following authorized officers in accordance with the delegations, below, each of whom is and shall remain subject to all other University policies and procedures:

<b>President/CEO</b>	The President/CEO is authorized to sign any Contract. However, pre-approval of the Board of Trustees is required for any Contract that exceeds \$1,000,000 or any Contract with a Term that exceeds five (5) years.
<b>Executive Vice President for Academics</b>	The person holding this position is authorized to execute contracts related to the management of the University’s academic programs. The authority extends to faculty contracts and appointments, academic equipment and supply purchases, grants, contracts related to research, sponsored programs and FIT Consulting. Pre-approval of the Board of Trustees is required for any Contract that exceeds \$1,000,000 or any Contract with a Term that exceeds five (5) years.
<b>Chief Financial Officer</b>	The person holding this position is authorized to sign any contract, with the exception of faculty contracts and appointment letters, and contracts related to the creation, termination or management of the University’s academic programs.
<b>Senior Vice President for Advancement</b>	The person holding this position is authorized to sign agreements relating to gifts and bequests, including donor agreements.

**If a Contract exceeds the delegated authority referenced above, the Contract shall be referred to the Chief Financial Officer.**

**PROCUREMENT OF GOODS AND SERVICES**

Notwithstanding any term seemingly to the contrary in this Policy, all Contracts for travel, and the purchase of goods and services shall be referred to Procurement Services. The requirements that apply to Contracts for procurement or lease of goods and services are set forth in the University’s procurement policies. All University personnel are required to comply with Procurement Services’ policies and approval procedures when requisitioning goods and services. **Purchases of travel, goods and services are subject to compliance with the Approval Matrix, (link).**

## **GRANTS, SPONSORED RESEARCH**

All Contracts related to a grant or sponsored project shall be administered through the Office of Research.

## **REVIEW OF CONTRACTS PRIOR TO SIGNING BY AUTHORIZED INDIVIDUALS**

All Contracts must be reviewed and approved in advance by the department that will be the primary point of contact for the other Contracting party or parties as well as any other department that will be expected or obligated to provide technical support, facilities, services, or personnel to discharge the University's obligations under the Contract.

## **CONFLICTS OF INTEREST**

University officers or designees with authority to execute Contracts must exercise that authority in a manner consistent with the University's Conflicts of Interest Policy. Any Contract that creates an actual or a potential Conflict of Interest shall be referred to the Chief Financial Officer for review and approval or forwarded to the Audit & Risk Management Committee of the Board of Trustees if greater than \$15,000.

## **REQUIRED CONTRACT REVIEW**

The individual to whom signing authority has been delegated must ensure that each proposed Contract is submitted for additional review, if applicable, in accordance with this Policy:

### **Legal Review**

All contracts other than those utilizing university forms approved the Office of General Counsel ("OGC"), shall require approval of Procurement Services prior to execution.

Review by the OGC is required for:

- Contracts for goods and services in which the consideration is \$100,000 or more.
- Contracts for the use of university facilities, other than those prepared with unaltered forms approved by OGC.
- Contracts involving the use of the university's intellectual property, including trademarks and logos.
- Contracts requiring the university to provide indemnification or insurance to an outside party.
- Contracts in which a member of the university or third parties are engaged in high-risk activities.
- Contracts for the purchase or sale of real property and the leasing of real property to or from third parties.
- Contracts for the university to provide off-campus educational programs.
- Contracts requiring the university to provide third parties with student or financial records.

### **Extraordinary Agreements**

Individuals with Contract signing authority, other than the President, must consult with the Chief Financial Officer if a Contract:

- Requires Board of Trustees approval, (over \$1,000,000 or term exceeding 5yrs).
- Constitutes a settlement agreement as to disputed claims which will require the university to make a settlement payment from university funds, whether such claims were raised formally (i.e., in courts or agency proceedings) or informally asserted.
- Is an affiliation agreement with another organization, institution, corporation or entity.
- Obligates the University for more than \$250,000 and/or which presents a risk of or actual financial exposure greater than \$250,000.
- Is with a foreign government.
- Is with any company whose contracting unit is located in a foreign country.
- Is with an individual who is a citizen or resident of a foreign country.

### **Enterprise Technology Services**

The responsible official must consult with the Chief Information Officer when the subject matter or language of a Contract raises, implicates or contains: (a) issues of Information Security and Privacy and/or has the potential for compromises of information entrusted to the University's care; or (b) an ongoing commitment of institutional resources for network or systems support.

## **MAINTENANCE OF SIGNED CONTRACTS**

**The original of each signed Contract shall be maintained, filed, stored and protected as University confidential and proprietary information as follows:**

- Signed Contracts for procurement services are maintained by Procurement Services.
- Signed academic Contracts are to be maintained by Office of the EVP - Academics.
- Signed research Contracts are to be maintained by the Research Office of Sponsored Programs.
- Signed employment and faculty Contracts are to be maintained by the Office of Human Resources.

All other signed Contracts should be forwarded to the Office of the Chief Financial Officer.