

MOREHOUSE COLLEGE

Name of Policy	CONTRACT APPROVAL AND REVIEW POLICY
Responsible Division	OFFICE OF THE PRESIDENT
Responsible Department	OFFICE OF GENERAL COUNSEL & COMPLIANCE
Effective Date	FEBRUARY 10, 2025
Related Policies	<u>Procurement Policy and Procedures (eff. 01.01.2021)</u>

I. PURPOSE

The purpose of this Contract Approval and Review Policy is to establish a consistent and comprehensive process for the review, approval, execution and overall management of contracts entered into by Morehouse College. This policy ensures that all contracts comply with applicable laws, regulations, and institutional policies, including the College's Procurement Policy and Procedures (PPP) and that they align with the College's strategic objectives and fiscal interests.

II. SCOPE

This policy applies to all contracts, including but not limited to agreements for the purchase of goods and services, leases, partnerships, memoranda of understanding, revenue generating contracts, licenses and other legal documents that obligate the College to financial or operational commitments. This policy is applicable to all departments, divisions, and offices within the College.

III. DEFINITIONS

- A. **Contract:** Any agreement between the College and another party that is intended to be legally binding, including contracts generating revenue.
- B. **Exempt Contracts:** Contracts exempt from submission pursuant to Section IV(F) of this policy.
- C. **Significant Obligations:** Legal commitments that involve substantial responsibilities or risks to the College necessitating formal legal review. These may include, but are not limited to,

agreements that require adherence to complex regulatory requirements, impose significant financial liabilities, grant or restrict significant intellectual property rights, and implicate data privacy concerns.

IV. POLICY

The College shall only be bound by written contracts that have been reviewed and approved in accordance with this Policy, and that have been executed by College officials who have specific signature authority under the PPP. Any contractual agreement binding the College, regardless of dollar amount, must be reviewed and approved in writing by the Office of General Counsel & Compliance (OGCC) prior to execution by College personnel, unless that type of contractual agreement has been specifically exempted from the contract review process.

A. Alignment with Procurement Policies

All contracts must adhere to the PPP which outline the requirements for competitive procurement, conflicts of interest, approval thresholds, and exceptions.

B. Legal and Compliance Review

Contracts must be reviewed by the OGCC to ensure legal sufficiency and compliance with College policies, state and federal laws, and other relevant regulations.

C. Financial Review

Contracts must undergo financial review to ensure that the obligations are within the approved budget and align with the College's financial objectives. Contracts exceeding certain financial thresholds, as outlined in the PPP, require additional levels of approval, including from the Chief Financial Officer or the Board of Trustees, depending on the contract amount.

D. Authorized Signatory Requirement

Contracts shall only be executed by individuals who have been formally delegated authority to sign contracts on behalf of the College, as outlined in the PPP and the Board of Trustees By-Laws. Unauthorized individuals are strictly prohibited from binding the College to any contractual obligations without authorization. Any updates or changes to delegated authority must be documented and communicated to relevant departments.

Individuals who sign contracts without authority and with the intent to bind the College to a legal obligation **are subject to disciplinary action up to termination.**

E. Central Repository

All contracts entered into by the College shall be uploaded and maintained in a central repository for contracts, including contracts that are exempt from the formal contract review

and submission process. It is the responsibility of the Division and its units to ensure exempt contracts not formally submitted to the OGCC for review and approval to the OGCC are uploaded to the central repository for contracts.

F. Exemptions from Formal Contract Submission and Review

Certain contracts are exempt from formal submission and legal review, provided they fall within predefined categories and meet specific criteria established by the College. All exempt contracts must comply with College policies, applicable laws, and be approved by the responsible department head or designated authority. Contracts not explicitly listed as exempt below must follow the standard contract review process.

- F.1 College Drafted Contracts:** Agreements with a value of **\$24,999.99 or less** that utilize a standardized template (with no substantive changes) previously reviewed and authorized by the OGCC.
- F.2 Contracts of \$5,000.00 or less:** Agreements with a value of **\$5,000 or less** and which do not involve significant legal, financial, operational or liability obligations of the College as defined in Section (III)(C). These contracts will typically involve recurring, low-value transactions of goods and services.
- F.3 Facility Use Agreements:** Routine agreements for short-term use of event spaces or facilities where there are no significant liability concerns.
- F.4 Subscriptions, Memberships, Registrations:** Routine Subscriptions, Faculty and staff memberships in professional organizations and associations and registrations for conferences, seminars, workshops, and other similar events.
- F.5 Gift Agreements:** Written agreements initiated or managed by the Office of Institutional Advancement documenting donations or gifts to the College, including monetary contributions, endowments, or in-kind gifts, provided such agreements utilize a standardized template (with no substantive changes) previously reviewed and authorized by the OGCC.
- F.6 Other Agreements:** Any other agreements not specifically identified herein that the General Counsel, with the consent and approval of the Senior Vice President of Business and Finance and CFO, determines should be exempt from formal contract submission and review.

G. Determination of Exempt Contracts

Only contracts identified in Section IV(F) are exempt from review. Employees must exercise due diligence in assessing whether a transaction qualifies for an exemption under this policy. In cases where there is uncertainty about whether a transaction should be exempt, employees are required to consult with the OGCC or the Procurement Department for guidance. The OGCC may periodically review exemptions for compliance and recommend adjustments to this policy.

H. Submission of Contracts to the Morehouse Central Repository

Contracts exempt from formal review under this Policy shall be uploaded to a designated central repository under the authority of the OGCC after signature and full execution of the contract by the parties.

V. PROCEDURES

The following procedures shall apply to this policy and are subject to change for the purpose of enhancing the contract approval and review process. Agreed upon changes to these procedures shall be made via consultation between the OGCC and Procurement Department.

A. Contract Approval and Review Submission

The Contract submitter shall initiate the contract approval and review process by completing an electronic Contract Approval and Routing Form (“CARF”) via the [LawVu portal](#) and attaching all relevant documentation, including the draft contract and any other documents required by the College’s procurement, legal and budgetary processes.

CARFs shall be submitted at least twenty-one (21) days in advance of the date needed or required by the submitting department.

B. Procurement Department Review

Contracts involving the purchase of goods, services, or other financial commitments must be reviewed by the Procurement Department. This review ensures compliance with competitive procurement requirements, vendor selection processes, and the PPP.

C. OGCC Review

The OGCC manages the contract management lifecycle process and ensures adherence to this policy. Further, the office of OGCC conducts a legal review to identify and mitigate potential legal risks, ensuring the contract complies with applicable laws and College policies. The General Counsel may request revisions or additional terms, as necessary.

D. Information Technology Department Review

Contracts involving technology services, software, hardware, or any agreement that may impact the College’s information systems, network security, or data privacy must be reviewed by the IT Department. The review ensures compatibility with existing systems, compliance with data security standards, and alignment with the College’s technology strategy. The IT Department may recommend modifications to address technical or security concerns and ensure that agreements meet institutional requirements.

E. Budget Department Review

Contracts involving financial commitments must be reviewed by the Budget Department to ensure alignment with the College's approved budget and financial objectives. The Budget Department will verify the availability of funds, assess the financial implications, and ensure the transaction supports the College's fiscal strategy. Any concerns regarding budgetary impact must be resolved before the contract is forwarded for final approval.

F. Division Head Review

Contracts initiated within a specific division must be reviewed by the respective Division Head to ensure alignment with the division's strategic goals and operational needs. Division Heads are responsible for verifying that the contract supports departmental objectives, adheres to institutional policies, and does not pose unnecessary risks. They may require revisions or additional information before approving the contract for further review.

G. Additional Departmental Review

The OGCC may determine whether a contract requires review by additional departments based on its content, scope, or potential impact, which involves specialized subject matter or poses risks that extend beyond standard reviews.

H. Final Approval and Execution

Once the contract has passed all required reviews and approvals, it will be forwarded to the authorized signatory for execution by the OGCC. Contracts may only be executed by an authorized signatory.

I. Record Keeping and Reporting

The OGCC will maintain a central repository of all executed contracts reviewed pursuant to this policy. Departments are responsible for ensuring compliance with the terms of the contracts they manage and must report any issues or non-compliance to the OGCC and the Procurement Department.

Approved:

DocuSigned by:

David A. Thomas

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Dr. David A. Thomas, President

Morehouse College, Inc.

2/14/2025

Date