



Policy Name	Contract Authority and Delegation Policy
Policy Number	11200.002
Effective Date	6/1/2017
Administrative Division	Division of General Counsel
Unit	Division of General Counsel
Revised Date	6/1/2017

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1. Policy Statement

This policy explains Jackson State University's Contract Authority and Delegation Policy and the guidelines one must consider and follow before entering into a contract on behalf of the University.

2. Purpose of Policy

The purpose of this policy is to notify Jackson State University ("JSU" or "University") employees, students, community, and vendors as to individuals who may enter and bind the University to an enforceable contract. All contracts shall only be executed consistent with Mississippi law, Board of Trustees for the Mississippi Institutions of Higher Learning ("IHL") policy, and this University policy. The term "contract" shall mean contracts, agreements, memorandum of understandings, and other documents which intend to legally bind the University.

3. Notice Regarding Unauthorized Contracts or Purchases

3.1 Vendors and Contractors. Third parties who contract with the University are on notice that a valid contract can only be entered when the University agent has actual authority to enter the agreement. Apparent authority will not bind the University. Mississippi law holds that a valid contract with a public entity can only exist where the particular manner of contracting is followed, and a contractor enters an agreement with a public entity at its own risk.

3.2 JSU Employees. University employees who attempt to enter contracts without authority or without following the procedures in this policy may face disciplinary action as well as the risk of litigation and personal liability.

4. Contracting Authority

IHL has delegated to the President authority to enter contracts, within certain limits, on behalf of the University. See IHL Bylaw 707.01. This delegation of authority may be sub-delegated by the President in writing as stated in this policy. IHL may elect to void contracts which have greater than four-year terms.

5. Limitation of Authority; External Approval. In certain circumstances, external approval is required prior to the University entering a contract.

5.1 IHL Board Approval. Agenda items for IHL Board approval are submitted through the President's office approximately one month before the scheduled Board meeting. To the extent an external agency alters its threshold approval requirements, the following will be amended to conform to such changes.

- a. \$250,000 Limit. IHL Board approval is required for all land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000.

- b. Land Sales or Acquisitions. IHL Board approval is required for all land sales, regardless of sale price. IHL Board approval is required for land purchases which exceed \$100,000. Other requirements apply, including appraisals and environmental reports.
- c. Leases. IHL Board approval is required prior to the execution of leases in an amount greater than \$100,000. However, IHL Board approval is required for all easements, and oil, gas, or mineral leases, regardless of amount.
- d. Certain Revenue Contracts. IHL Board approval is required prior to execution of the contract for any bookstore, food service, or athletic concessions agreement when the contract is either projected to generate aggregate total revenues for the University of more than \$250,000 or if the term of such contract exceeds four years.
- e. Real Estate Construction Projects. IHL Board approval is required for initiation of project construction or renovations which exceed \$1,000,000, regardless of the source of financing. Budget changes or construction projects using bond funds, including Ayers funds, must be initiated with IHL Staff approval rather than Board approval. See Section 900 of the IHL Bylaws for additional information.
- f. Student Fees/Ticket Sales Receipts. IHL Board approval is specifically not required (regardless of contract value) for purchases of natural gas, utility services, or entertainment services which are paid for with student fees and/or ticket sales receipts.

5.2 Mississippi Information Technology Services ("ITS"). Acquisitions of information technology products or services which exceed \$250,000 require ITS approval. This dollar value calculation is to include the aggregate of the contract and Lifecycle Costs. There is an exception for purchases made entirely from federal funds, and there are special rules when ARRA funds are involved. For contracts at and under \$250,000, the authority is delegated to the University President, although the use of ITS-negotiated state contracts, including some purchases from the Express Products List, may have different value thresholds or otherwise require ITS or Wireless Communications Commission (a sub-group of ITS) approval. Therefore, purchases of information technology products or services should be coordinated early with the Division of Purchasing, and when necessary, the Division of General Counsel. In some cases, external review by ITS can take a number of months, so advanced planning is important.

## 6. Delegation of Signature Authority.

All contract authority at JSU shall reside exclusively with the President, except to the extent it is expressly delegated pursuant to the terms of this policy. Any authorized individual who signs a contract shall be responsible for having reviewed the contract and ensuring that other individuals, when appropriate, have reviewed and approved the contract.

6.1 Written Delegation Letter. The President may delegate contractual authority, by written letter, in an amount not to exceed \$50,000, unless a specific exception is noted below in this policy. The President may rescind the delegation letter or any sub-delegation of authority at any time, and all delegations of authority expire at such time as an individual's employment with the University terminates. A copy of the President's delegation letters will be kept on file in Office of the President, with a copy forwarded to the Division of General Counsel and the Division of Internal Audit.

6.2 Sub-delegation Letters. Individuals with contract authority from the President may further sub-delegate authority in an amount up to \$15,000, by written approval from the President. The sub-delegation is made in writing, with a copy forwarded to the Office of the President, the Division of General Counsel, and the Division of Internal Audit.

6.3 Special Exceptions.

a. Division of Purchasing. One or more contracting agents may be appointed within the Division of Purchasing and Travel, who are authorized by this policy to bind the University through the use of Purchase Orders. The purchasing agent who authorizes a Purchase Order must ensure that the purchase complies with state purchasing laws and guidelines.

b. Employment Contracts. Employment contracts shall only be executed by the President.

c. Division of Academic Affairs. The Provost may execute Memorandums of Understanding with other academic institutions in regard to collaborations, and agreements pertaining to any Field Instruction Affiliation. Any single agreement may not exceed \$50,000, without approval by the President.

d. Federal Grants/Research. The President or his/her designee for Research and Federal Relations may execute contracts and sub-contracts for services or products to be provided by JSU faculty, staff, and students in regard to research and instruction paid for by extramural funding sources. These grants and contracts are not subject to this policy but are addressed by separate procedures.

7. Contract Review and Approval Process.

7.1 Administrative Responsibility. In addition to the signatory who executes a contract, each contract will have a contact person who is responsible for the performance and oversight of the contract. The contact person and the contract signatory (if different from the contact person) shall be responsible for the administrative terms of the agreement, and will generally be the point of contact with the external vendor or contractor. The contact person or authorized signatory is generally the individual who negotiates the administrative terms with the third party, or when applicable, specifies the desired terms to a procurement committee, the Division of General Counsel, or the Division of Purchasing and Travel.

7.2 Legal Review. All contracts and Memorandum(s) of Understanding require approval as to the legal terms from the Division of General Counsel prior to execution. Once the contact person or signatory has reviewed and edited the administrative terms, the draft contract shall be forwarded to the Division of General Counsel, along with any information pertaining to desired terms which have not yet been incorporated into the document. The Division of General Counsel will review and edit the draft for legal compliance, and provide an approved edited draft back to the contact person along with documentation of legal approval (which may be by email, routing form, initialed stamp or signed document). A representative of the Division of General Counsel will become involved in negotiating or discussing edits with third parties when requested or when necessary. If further edits are made to the original legally approved draft, legal counsel must review the new draft, including all such changes, and if legally-approved, forward the final approved draft back to the contact person.

7.3 Special Exceptions. Form contracts (i.e. Facilities Use Agreements, HR Independent Contractor Forms, Field Instruction Affiliation Agreements, etc.) which have been approved by the Division of General Counsel at a prior time, and which have not been modified, do not require approval before subsequent use. Non-standardized employment contracts require Division of General Counsel approval, while form IHL employment contracts do not.

8. Contract Execution and Record Keeping.

8.1 Execution and Distribution. After satisfactory review of the administrative terms and having obtained legal approval when required, the contract may be executed. It is preferred that the contact person facilitate the execution by asking the vendor to execute two originals and forward or hand-deliver the partially executed originals to the contact person. The contact person will then facilitate getting both originals executed by the JSU signatory. In the alternative, two copies of the agreement may be executed first by the JSU signatory, in which case the contact person will facilitate the other party's execution and ensure JSU's receipt of a fully executed original.

8.2 Record Keeping. The original executed contract will be kept in the files of the office of the authorized signatory. A copy of the original shall be forwarded to the Division of General Counsel who will maintain a backup file of executed contracts. Scanned copies of fully executed contracts may be emailed to the Division of General Counsel's contract email address: [contracts@jsu.edu](mailto:contracts@jsu.edu). Contracts shall be kept on file during the term of the agreement and for a minimum of six years after the contract's termination.

9. Employee Adherence

Employees are required to adhere to these guidelines. Willful disregard of this policy shall be considered non-compliance and may result in a formal reprimand up to and including termination. The information stated in this policy pertains and applies to applicable employees, departments and funding sources of the University.

10. Revocation of Prior Authority and Effective Date. This Policy shall be effective from and after June 1, 2017.