Information

University Contract Review and Approval and Signature Authority

Effective

July 1, 2024

Applicability

This policy applies to all University of Louisville administrators, faculty and staff and any other party seeking to bind the University of Louisville (University or UofL), University of Louisville Research Foundation (ULRF), and/or the University of Louisville Athletics Association (ULAA) (or any other statutorily affiliated corporation of the University of Louisville) through any Contract.

Administrative Authority

General Counsel and Vice President for Legal, Governance and Strategic Initiatives

Responsible Unit

Office of University Counsel

University of Louisville

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History

Revision Date(s):

Reviewed Date(s):

Categories

Reason for Policy:

The University of Louisville has an interest in ensuring that all Contracts entered into on behalf of the University or that otherwise bind the University by their terms have been appropriately reviewed, approved, and executed in accordance with the policies of the University (which shall include the respective policies of ULRF and ULAA, to the extent applicable), the Bylaws of the Board of Trustees, any actions of the Board of Trustees, the bylaws of the respective Boards of Directors of ULRF or ULAA, to the extent applicable, and applicable state and federal statutes and regulations. This policy is established to provide a clear process and associated procedure for the review, approval, and execution of Contracts.

Statement:

Pursuant to the rights granted to it by the laws of the Commonwealth of Kentucky, the University of Louisville Board of Trustees has authorized the president of the University of Louisville to enter into Contracts and to authorize payments on behalf of the University. The board and the president, as applicable, have further delegated authority to certain other officers and employees of the University to enter into designated types of Contracts of the University, each as prescribed pursuant to written resolutions and/or delegations of authority. The University may not be obligated under any Contract except as pursuant to a valid authorization, approval, and signature.

All Contracts purporting to bind the University or one of its statutorily affiliated corporations must be in writing and must be in the name of the University of Louisville, ULRF, or ULAA, as appropriate. Contracts may not be in the name of an individual (i.e., administrator, faculty, or staff, unit, office, or departments). Except

as otherwise determined by the Office of University Counsel (hereafter referred to as the "OUC") as described in this policy, all Contracts, regardless of the obligations thereunder or Contract amount, must be reviewed by the OUC for approval as to form and legal sufficiency prior to authorized signing. This policy shall apply to all Contracts in the name of the University of Louisville, ULRF, and ULAA or any other future statutorily affiliated corporation of the University of Louisville. This policy does not apply to those agreements that do not purport to bind the University (or its affiliated entities), or those agreements entered into in an individual capacity as further noted below.

Signature Authority

The authority to execute Contracts on behalf of the University of Louisville is governed by the terms of the Bylaws of the UofL Board of Trustees. A Contract entered into on behalf of the University or one of its statutorily affiliated corporations may only be signed by an individual who has been authorized directly by the board or by a proper written delegation of signature authority. A chart showing the valid delegations of signature authority is available at https://louisville.edu/counsel/contract-signature-authority (requires UofL Login). Please also refer to the approved board resolutions on UofL signature authority, ULRF signature authority, and ULAA signature authority. Any questions regarding delegations of signature authority should be directed to the OUC.

Anyone who is not authorized as described above and who signs a Contract that purports to bind the University or any of its units, or a statutorily affiliated entity, is acting without authority and may be held personally liable for the Contract and all costs incurred thereunder, to the extent permitted by law, and may be subject to University disciplinary action in accordance with University policy. For the avoidance of doubt, this includes but is not limited to any individuals agreeing to "click-through" agreements without obtaining the requisite review, approval, and signature as required by this Policy.

Retention and Monitoring of Executed Contracts

A. Following execution of a Contract, the Responsible University Office is the official record keeper of the Contract, unless stated otherwise by the OUC or the Office of the Provost or President. The Responsible University Office shall be the official custodian of the original Contract, and any Contract original shall be maintained in

accordance with the University Records Retention Schedule and procedures, which can be found at https://library.louisville.edu/archives/records-management/retention.

B. The Responsible University Office shall provide a copy of all executed Contracts to the OUC and to the appropriate office that assisted in the review of the Contract if it was not reviewed solely by the OUC (Procurement, Sponsored Programs, etc. - see Policy Exceptions).

C. The Responsible University Office shall have the obligation to oversee the performance of the Contract and monitor the University's compliance with the terms of the Contract. The Responsible University Office shall also have the responsibility for tracking Contract requirements including, but not limited to, service/delivery deadlines for goods, payment dates, termination/renewal deadlines, and applicable reporting requirements.

Policy Implementation

In order to ensure a smooth and timely transition toward the more formal and robust Contract review process detailed herein, for six months following passage of this Policy (the "Implementation Phase") the Office of University Counsel will coordinate directly with the most affected offices, including but not limited to the Department of Procurement Services, the Office of Sponsored Programs Administration, UofL Innovation and Commercialization, and University Libraries, to develop procedures for the efficient and timely review of Contracts in each department. During the Implementation Phase, the Office of University Counsel, in coordination with affected University Offices, will create contract checklists and/or similar tools or guidelines to assist relevant University personnel in performing preliminary Contract review which may further streamline the Contract review process. Full implementation of the policy will be accomplished on or before January 1, 2025.

Policy Exceptions

Certain offices or departments of the University have established policies and procedures whereby Contracts administered pursuant to those policies and procedures will be reviewed by those departments in coordination with the OUC pursuant to review procedures developed during the Implementation Phase, as described above. For purposes of clarity, the departments listed below may manage and review Contracts in accordance with their respective policies and processes, but all such Contracts will be subject to final review and approval by the OUC prior to

Contract execution. OUC may, in consultation with the President, make additional exceptions to the review process outlined in this Policy in order to maintain efficient and timely Contract review practices.

- Contracts involving procurement of goods or services shall be managed in accordance with the policies and processes established by the Department of Procurement Services and must comply with the requirements of Chapter 45A of the Kentucky Revised Statutes (the Model Procurement Code).
- Contracts related to all externally sponsored activities, including research, training/instruction, and service projects funded by governmental entities, private non-profit organizations and for-profit/industry sponsors shall be managed by the policies and processes established by the Office of Sponsored Programs Administration.
- Contracts related to intellectual property protection and licensing shall be managed by UofL Innovation and Commercialization, under the direction of the Office of the Executive Vice President for Research and Innovation.
- Contracts for library resources, materials, and services in all formats relating to the University's libraries shall be managed in accordance with the policies and processes established by the Dean of University Libraries.

Policy Compliance

A violation of this policy may result in sanctions; corrective measures, which measures may include, but shall not be limited to, Contract cancellation or other remedy necessary to rectify the unapproved Contract (including potential personal responsibility for the individual responsible); and appropriate disciplinary actions, up to and including termination, as determined pursuant to existing University policies.

Definitions:

"Contract" means any agreement or written understanding/designation of responsibilities/obligations or actions between two or more parties intending to create obligations of the University, which obligations may include, but are not limited to, the promise of payment, promise of action or inaction, provision of goods or services, use of resources or facilities, or the allocation of liability. A Contract may be many forms, including, but not limited to, a letter, memoranda of understanding, memoranda of agreement, lease, rental agreement, employment agreements (other

than offer letters signed in the ordinary course of the hiring process), professional services agreement, affiliation agreements, student exchange agreements, purchase orders or vendor agreements containing terms and conditions, and online terms-of-use agreements ("click-wrap" or "click-through" agreements). The term "Contract" in this policy shall also include any renewal, amendment, addendum, or modification to an existing Contract. For purposes of this Policy, a Contract does not include any written agreement to which the University or its statutorily affiliated corporations is not a party, such as copyright agreements signed by faculty in their individual capacities.

"Responsible University Office" means the unit within the University or its statutorily affiliated corporations (which shall include any department, program, school, college, etc., as applicable) that initiates a Contract on behalf of the University or one of its statutorily affiliated corporations and that shall be primarily responsible for the satisfaction of the Contract. Such office will be responsible for ensuring compliance with the terms and conditions of the Contract including any financial obligations resulting from non-compliance.

Resources

A chart of current, valid signature delegations is available at: https://louisville.edu/counsel/contract-signature-authority (requires UofL Login). Contact the OUC for confirmation of up-to-date signature delegation authority.

Bylaws of the UofL Board of Trustees: https://louisville.edu/president/board-of-trustees/bylaws/

The UofL Board of Trustees' policies establishing which financial matters, including Contracts meeting certain criteria, must be submitted for review by the board can be found at: https://louisville.edu/president/boards/board-of-trustees/governance/board-policies/recRevisiontoFinancialTransactionsPolicy3172022_Redacted.pdf.

The board's resolution regarding UofL signature authority can be found at: https://louisville.edu/policies/policies-and-procedures/pdf/signature-authority.

The board's resolution regarding ULRF signature authority can be found at: https://louisville.edu/policies/policies-and-procedures/pdf/ulrf-signature-authority.

The board's resolution regarding ULAA signature authority can be found at: https://louisville.edu/president/boards/athletic-association/governance/RevisedULAAFinancialTransactionsPolicy10182019_Redacted.pdf.

The State University Records Retention Schedule can be found at: https://library.louisville.edu/archives/records-management/retention.

https://library.louisville.edu/archives/records-management

Procedures:

General Procedure for Contract Review

Except as otherwise provided in this Policy, all Contracts in the name of the University of Louisville or purporting to bind the University by their terms (which shall include Contracts in the name of ULRF and ULAA) shall be submitted to the OUC in the manner specifically prescribed by OUC via clearly communicated written procedures disseminated by OUC to all University departments for approval as to form and legal sufficiency before being submitted to an authorized signatory for execution.

1. Before a Contract is submitted to the OUC for legal review, the Responsible University Office should review the draft Contract carefully and make certain that it includes all the terms the parties agreed upon and that the University can fulfill its obligations/responsibilities specified in the Contract.
2. Before the Contract is submitted to the OUC for legal review, the dean or head of the division of the Responsible University Office should provide their approval of the subject of the Contract and their recommendation that the Contract be submitted for OUC review. If applicable, the Responsible University Office may submit a Contract directly to one of the departments referenced in the Policy Exceptions above, and said department will submit the Contract to the OUC for final review as described herein.
3. Upon OUC receipt of a Contract, the OUC will review the Contract and may determine that the subject matter of the Contract requires further review by one or more additional University offices. In the event a Contract requires further review by any such office, OUC shall (or shall require the Responsible University Office to) contact the applicable offices for further review of such

Contract. Applicable offices include:

- Contracts that seek to include obligations on the part of the University to maintain specific insurance policies or coverage limits or require the University to name another party as an additional insured on the University's insurance policies may be submitted to the Department of Enterprise Risk & Insurance for further review. Contracts that involve property (new or existing equipment, art, vehicles, etc.) shall also require review by the Department of Enterprise Risk & Insurance.
- Contracts involving the potential collection, storage, or dissemination of educational records, sensitive personal information, protected health information, or other data or information that is protected by law may be submitted for further review to the Information Security Compliance Office, Privacy Office and/or FERPA official.
- Contracts that involve any financial commitment of the University or that require an expenditure by the University may be submitted to the Chief Financial Officer for review.
- Contracts involving or potentially involving issues related to export controls or conflicts of interest may be referred to the Office of Conflict of Interest and Commitment for review. This includes contracts directly or indirectly with University employees for the sale of property, materials, supplies, equipment, or services with the exception of compensation to the faculty, staff, and student members.
- Contracts presenting potential tax liability or other federal, state or local tax implications may be referred to the Controller's Office for review.
- Contracts that are leases or licenses of space or property involving the University shall be referred to the Office of Leasing Administration for review.

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- Contracts involving the potential collection, storage, or dissemination of educational records, sensitive personal information, protected health

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- Contracts presenting potential tax liability or other federal, state or local tax implications may be referred to the Controller's Office for review.
- Contracts that are leases or licenses of space or property involving the University shall be referred to the Office of Leasing Administration for review.

Certain major financial transactions must be reviewed and approved by the Board of Trustees and shall be referred to the Office of the President, who is responsible for recommending such transactions to the Board for review and approval per the board's policies, which can be found at: https://louisville.edu/president/boards/board-of-trustees/governance/board-policies/recRevisiontoFinancialTransactionsPolicy3172022_Redacted.pdf.

All Contracts should be in the full legal corporate name of the University (i.e., not the name of the school or division), or the applicable statutorily affiliated corporation, to the extent applicable. If it is necessary that the Contract identifies the responsible school or division, the contracting party may be identified as "the University of Louisville on behalf of its School of _____."

Responsibilities:

The Office of University Counsel shall have primary responsibility for the legal review of all Contracts binding the University and its statutorily affiliated entities. The OUC may submit Contracts to other University offices for review as to specific terms, as necessary.

The OUC is responsible for interpretation and implementation of this policy and for educating applicable parties about this policy and its procedures. Questions regarding this policy and its procedures can be sent to counsel@louisville.edu.

All University Responsible Offices seeking to enter into a Contract on behalf of the UofL, ULRF, and/or the ULAA (or any other statutorily affiliated corporation of UofL) are responsible for knowing and complying with this policy and its procedures.