

Policy on Entering Into Contracts For Procurement of Goods and Services

Policy Owner
General Counsel and
Secretary of the Corporation

Policy Contact
Controller

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October 14, 2020

Policy Statement

Bentley University contracts with vendors and contractors for goods and services to meet the business needs of the University. In order to protect the University's legal interests, such contracts must be carefully negotiated and reviewed. This policy establishes the University employees who may sign contracts for the procurement of goods and services on behalf of Bentley University. It applies to all contracts purporting to bind and/or to be entered into on behalf of the University for the procurement of goods and services.

Legal Review

Departments/Divisions must obtain General Counsel approval on any and all contracts prior to signing. Legal review should be requested at the earliest possible point in the contract process.

Necessary Approvals

Certain contract subjects must be reviewed or approved by the University department responsible for these subjects. Departments/Divisions must contact the subject matter expert before a legal review (e.g., insurance, IT, etc.). The University's procurement department should be contacted prior to entering into a contract to determine if their involvement is required.

Signature Authority

All contracts shall be signed on behalf of the University by such officials as are designated, and in such manner as is directed by the Board of Trustees. Authority has been granted to the President, and the Vice President and Chief Financial Officer and his or her designee(s) specific signature authority. See Appendix A - Authorization Matrix for a list of authorized signers and dollar threshold.

Business Risk

Departments/Divisions must not enter into a contract that presents an unreasonable risk of harm to the University's mission, reputation, or funds. To

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make this determination, units should consider the risk of entering into the contract against the benefit to the University.

Reason for Policy

The policy promotes compliance with laws and regulations that apply to the University's contracts; and serves to avoid exposure to an unreasonable risk to the University's reputation, mission, or funds.

Procedures

Procedures for All Types of Contracts. Take each of these steps *before* sending a contract to the General Counsel for review. The General Counsel provides legal advice and counsel regarding contracts; it is your responsibility to make sure the contract is administered properly. Notwithstanding the delegation of signing authority, all agreements must comply with laws and University policy regarding procurement.

1. **Review the contract.** Carefully review the contract to make sure it sets out the price, warranty coverage and duration, description of the goods and services, delivery date and cost, term, intellectual property ownership and use, and other "business" terms and conditions you expect. Also consider whether the contract presents any unreasonable harm or risk to the University.
2. **Obtain authorized signer approval of business terms.** Individuals should review the contract to make sure it sets out the price, warranty coverage and duration, description of the goods and services, delivery date and cost, term, intellectual property ownership and use, and other business terms and conditions that are expected.
3. **Other reviews and approvals.** If the contract has a clause that requires review or pre-approval from a subject matter expert prior to the General Counsel's review, send the contract to that subject matter expert or department/division responsible for the subject. (e.g., insurance, IT, etc.). Please ensure that the IT Information Security Officer signs off on any contract that may include data, personally identifiable information, privacy, etc.
4. **General Counsel Review.** Email your contract to the General Counsel for review.
5. **Complete Cover Sheet.** All contracts presented for signature by an authorized signer where the value* is greater than \$150,000 must be accompanied by a cover sheet. See Appendix B – Cover Sheet for Signature on a Bentley University Contract.
6. **Signer.** Make sure the person signing the contract is authorized. ***Only persons with expressly delegated authority may sign contracts.*** Signature authority has been granted to the Vice President and Chief

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Financial Officer and his or her designee(s) in accordance with the Board of Trustees. *See Appendix A - Authorization Matrix

Definitions

Contract

Any written commercial contract or other agreement that creates a binding obligation upon the University, regardless of the title of the document, and regardless of the identity of the other party.

Signatory Authority

The valid authority to legally bind the University by executing and signing agreements, contracts and other documents on behalf of the University. Authority has been granted to the Vice President and Chief Financial Officer and his or her designee(s) specific signature authority in accordance with the Board of Trustees.

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Appendix A – Contract Signatory Authorization Matrix

Contract Value*	Authorized Signer
< \$25,000	Workday Cost Center Manager 1
> \$25,000; < \$75,000	Workday Cost Center Manager 2
> \$75,000; < \$150,000	Division Vice President
> \$150,000	Vice President and Chief Financial Officer / Treasurer or, if unavailable, Associate Vice President, finance & Risk Management

*The value of an agreement shall be determined by the total amount of the agreement. For example, if a service contract is for \$50,000 per year for a total of five years, its value is \$250,000. This remains true even if the University has the right to terminate the contract, whether on an annual basis or with appropriate notice. Similarly, if the University has the right to extend an annual service contract in the amount of \$50,000 for an additional four years, its value is \$250,000. Contracts may not be artificially broken up to avoid limitations. For example, if the University contracts to buy five copiers for \$10,000 apiece, the value of the contract is \$50,000 even if the purchase is divided up into five contracts. Some contracts have an uncertain or indeterminate value. In such cases, or whenever there is any uncertainty about the value of a contract, the contracting person should consult with OGC.

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Appendix B – Contract Approval Cover Sheet (Over \$150k)

Contract Approval Cover Sheet (Over \$150K) (Internal Only)										
Contract Purpose:										
High Level Summary of Contract:										
Total Spend:										
Department Requesting:				Date Initiated:						
Contact Name:										
Vendor Name:				Phone Number:						
Vendor Contact Name:				Email:						
Has the University contracted with this vendor in the past or is this a renewal or extension of a previously approved contract?							Yes			
							No			
Administrative Review			Approved by:					Date Approved		
<small>Yes</small>	<small>No</small>	<small>N/A</small>	General Counsel							
			Procurement							
			Information Security Officer							
			Information Technology							
			Risk Management							
			Budget Office Approval							
			Other							
Workday Cost Center Approvers			Approved by:					Date Approved		
Cost Center Manager Approves All										
Cost Center Manager 2 Approves \$25K+										
Cost Center Manager 3 Approves \$75K+										
Cost Center Manager 4 Approves \$150K+										

This form is required and must accompany all contracts over \$150K to advance to the execution stage.