I. PURPOSE:
This policy establishes University requirements for review and execution of purchase agreements and contracts.

II. SCOPE:

III. POLICY:
The President, Senior Vice President for Business and Finance and CFO, the Vice President of Finance and Treasurer, and the Vice President for Real Estate and Facilities are authorized to execute contracts, agreements, purchase agreements and other instruments on behalf of the University, except for those matters which require approval of the Executive Committee of the Board of Trustees as follows:

Any annual contract, agreement or other instrument, except for those involving sponsored programs, which exceeds $5,000,000 in full amount, or exceeds $7.5 million during the term of the agreement require approval of the Executive Committee of the Board of Trustees.

The Senior Vice President for Business and Finance and CFO, the Vice President of Finance and Treasurer, and the Vice President for Real Estate and Facilities may, with the written authorization of the President, delegate to other University persons, the authority vested in them to sign contracts binding the University.

A list of individuals that have delegated authority to sign University purchase agreements and/or contracts is shown in (Attachment A) to this policy. No University personnel, other than those who have specific authorization, may sign any purchase agreements and/or contracts on behalf of the University.

Administrators who have delegated authority to execute purchase agreements and/or contracts must ensure that:

- The transaction conforms to all University policies and procedures
- There are no conflicts of interest among the parties to the transaction
• Liability to the University is minimized through an assessment of risk and insurance requirements
• The contract provides reasonable legal protection for the University

IV. DEFINITIONS:
*Business Associate Agreement*: An agreement that must be signed by any vendor that receives or distributes protected health information from the University, another Business Associate, or as part of an Organized Health Care Arrangement.

*Contract*: A written agreement covering a specific business transaction, which is executed by both parties and includes the appropriate exchange of consideration.

*Delegation of Authority*: Authority granted to individuals to purchase specific goods and services and/or execute contracts on behalf of the University as approved by the Sr. Vice President for Business and Finance and the President. (see Attachment A)

*Fiduciary Care*: Fiduciary care is the highest standard of legal and ethical care. Individuals with delegated authority are expected to act at all times in the best interest of the University. They must not profit personally from any transaction for which they are acting on behalf of the University.

*Intelligent Content*: Includes full text e-journals, indexing and abstracting services, search engines and/or software which is specific to or required to access databases, ejournals, etc., CD-ROM products, remote on-line services, access to world-wide-web and other internet information sources, data for application software required for library systems and other digital or electronic library products.

*Purchase Agreement*: A contractual agreement between the University and a seller containing terms and conditions for the acquisition of goods or services, which has been approved by the originating department.

V. PROCEDURE:
A. DEPARTMENTAL REVIEWS
Various categories of goods and services fall within the expertise and purview of specific University departments. Authorized signors must ensure that those offices have reviewed and approved purchase agreements and contracts prior to executing them.

• Treasurer: Bank account, banking relationship and financial agreements
• Controller: Contracts with an accounting and auditing firms
• Information Technology: Software, hardware and technology related services
• Real Estate: Real estate and construction contracts and real estate leases
• University Advancement: Gift and fundraising contracts
• Research Administration or Sponsored Programs: Sponsored program contracts
• University Communications: Public relations firms and communication consultants.
• Human Resources or Faculty Affairs Office: Employment contracts

B. RISK MANAGEMENT AND GENERAL COUNSEL REVIEW
All contracts will require review by the Risk Management and General Counsel offices unless that review is specifically waived by those offices. Departments must obtain approval or a waiver from these offices prior to executing purchasing agreements and
contracts. The original executed agreement must be retained by the University department responsible for that type of document.

C. DOCUMENTATION
The original executed purchase agreement must be submitted to and retained by the University department responsible for that type of document. The following is a list of departments where original documentation is to be maintained.

- General Counsel: Contracts for legal services
- Human Resources or Faculty Affairs Office: Employment contracts
- Real Estate: Real estate and construction contracts and real estate leases
- Research Administration or Sponsored Programs: Sponsored program contracts
- University Advancement: Gift and fundraising contracts
- Purchasing: Purchase agreements and orders for their respective Campus or Hospital
- Purchasing and all contracts not assigned to specific offices by this policy.

D. CONTRACT CHECKLIST AND SIGNATORY AUTHORIZATION FORM
The Contract Checklist and Signatory Authorization form (see Attachment B) must be completed by the department submitting the contract to Purchasing.

E. PROCEDURE FOR GOODS AND SERVICES OTHER THAN CONSTRUCTION
The following is the detailed procedure for managing contracts:

1. Requesting department identifies need for Goods and Services.
2. If Goods and Services are less than or equal to $25,000, go to step 14.
3. If Goods and Services are over $75,000.00 quotes or Request for Proposal is required per Policy BSJ-015.

F. GOODS AND SERVICES

1. purchased on federal grants between $10,000 and $75,000 must be submitted with 3 quotes.
2. Requesting Department obtains competitive quote from supplier.
3. Purchasing receives quotes and/or proposals and evaluates them with Requesting Department.
4. Purchasing, along with the requesting department, select the supplier candidate/finalist(s).
5. Purchasing, the requesting department, Risk Management, and General Counsel negotiate pricing and terms with supplier finalists.
6. Purchasing creates the supplier agreement.
7. Purchasing, the requesting department, Risk Management, and General Counsel Review Agreement/contract, terms and conditions, make comments and send it to the supplier for review.
8. Purchasing and the supplier negotiate terms and conditions.
9. Purchasing obtains internal UM signatures on agreement per BSJ-115.
10. If item must be reviewed by the Board, Purchasing prepares Board Item with Central Fiscal Office (Dean’s Office for Medical; Division VP or Provost’s Office for Gables/RSMAS)
11. Once item is presented and approved by the Board, the requesting department
notifies the supplier of the award and asks the supplier to sign the contract.

12. Department Requisition process is initiated in Workday. Once the requisition has been approved, the Purchase Order is sent to the supplier. If the payment is over $2,500, the item is entered into the Property Accounting system per B040, Equipment Capitalization policy, once the payment is made.

13. Purchasing scans the approved contract once the PO has been issued and sends contract to storage. If PO was issued via Workday, contract is stored in Workday.

G. PROCEDURE FOR NON – PROCUREMENT CONTRACTS

The following is the detailed procedure for managing contracts:

1. Requesting department identifies need for contract.
2. Purchasing, the requesting department and General Counsel reviews, amends and approves the contract.
3. General Council or department sends approved agreement to Contract Management.
5. Risk Management forwards approved contract to Contract Management.
6. Contract Management processes contract files in database and sends copies to end user.
MEMORANDUM

February 25, 2016

TO: Individuals with Signature Authority Listed Below

FROM: Joe Natoli
Senior Vice President
Business and Finance

RE: Delegation of Contracting Approval and Signature Authority
Effective February 25, 2016

The Executive Committee of the Board of Trustees of the University of Miami adopted the following Resolution on December 17, 2013:

That the President and Senior Vice President for Business and Finance, shall have the authority to execute contracts, agreements, purchase orders and other instruments, including sponsored programs, which obligate the University except for those matters which require approval of the Executive Committee of the Board of Trustees as set forth in the following paragraph:

Any annual contract, agreement or other instrument, except for those involving sponsored programs, which exceeds $10,000,000 in full amount, or exceeds $15,000,000 during the term of the agreement.

The Senior Vice President for Business and Finance may, with the written authorization of the President, delegate to other University persons, the authority vested in them to sign contracts binding the University, except for those matters which require approval of the Executive Committee of the Board of Trustees.

That the President of the University and the Senior Vice President for Business and Finance are authorized to delegate to other University persons, the authority vested in them to execute grants and contracts documents for Sponsored Programs on behalf of the University.