

Mississippi University for Women
Procurement and Finance
Contract Guidelines



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1. Introduction

The purpose of this guide is to establish consistent contracting processes and procedures associated with all contracts at Mississippi University for Women (MUW).

2. Definition of a Contract

A contract is “an agreement between MUW and one or more parties, creating obligations that are enforceable or otherwise recognizable by law” (Black’s Law Dictionary). All documents to be executed on behalf of MUW, which will result in a “contract” between MUW and a vendor, must contain terms and conditions that are consistent with all applicable State laws, MUW policies, and IHL Board of Trustees policies.

Contracts, agreements, or any other obligations or commitments to which the University will be bound shall only be entered into after a fully executed contract has been signed and approved.

3. Contract Signatory

Authority to sign contracts, agreements, or any other obligations or commitments to which the University will be bound has been delegated by the President to the Vice President for Operations/Chief Financial Officer. No other individual is to sign such documents unless they have received a Delegation of Authority letter from the President. Contracts valued at more than \$75,000 must be signed by the President.

See also IHL Board Policy 707.02, anyone signing a contract without authorization is subject to disciplinary action, up to and including termination.

Contracts **MUST** be signed by all parties prior to the initiation of a Requisition for services being provided.

4. Department & Contract Owner Responsibilities

Department Responsibilities

The Office of Finance and Administration depends on individual departments to submit their contracts to maintain proper oversight and ensure compliance with the contract terms, conditions, and all relevant MUW guidelines and policies. Each department is responsible for developing and maintaining quality controls to ensure that all contracts are executed in accordance with the contract terms, conditions, and applicable MUW guidelines and policies.

Contract Owner Responsibilities

A “Contract Owner” shall not participate in the submission or approval process of any contract where they maintain a conflict of interest as defined by MUW’s Employee Conflict of Interest Policy. See **MUW Policy #7202**

The “Contract Owner” is the person within the department responsible for submitting a contract for review. This individual typically has the most knowledge of the contract’s requirements and a deep understanding of the commodities, services, or revenue involved, along with key details such as timelines, quality standards, payment terms, and other specific contract elements.

The "Contract Owner" is responsible for ensuring that MUW receives the commodities, services, and/or revenue outlined in the contract. They are also accountable for ensuring that MUW makes payments for these items in accordance with agreed-upon contract terms.

To effectively carry out this role, it is crucial that the "Contract Owner" has a thorough understanding of the contract's scope and the requirements outlined within it. The "Contract Owner" will be responsible for:

- Verification that all commodities, goods, and services are being received or performed as set forth in the contract.
- Verification that all applicable bonds and insurance documents have been received and are determined to be adequate, if applicable. These documents, typically, would only apply to Construction contracts and high-cost contracts.
- Verification that the commodities, goods, and services are delivered within the specified period, and all contract terms and conditions have been met.
- Ensuring the quality of the commodities, goods, and services received meets the requirements outlined in the agreement.
- Verification that charges are consistent with the agreement.
- Verification that any applicable "rebates" or "discounts" are applied to the purchase price of the commodities, goods, or services.
- When submitting purchase orders for payment to University Accounting, confirm that the total amount spent under the contract will not exceed the specified limit.

5. Types of Contracts

University Standard Service Contract

To streamline the contracting process at MUW, we have established a University Standard Services Contract for all service agreements and commodities with a service. All contracts entered into by the institution shall be required to receive a review by university counsel indicating whether the contract is in compliance with applicable laws; however, university counsel has delegated its review to the VPO/CFO for contracts up to \$25,000 when the University Standard Services Contract is the only contract used. See also ***IHL Policies and Bylaws 707.01 B***.

Even if you work with the same vendor multiple times throughout the year, a new contract will be needed for each service. You can access the University Service contract on the Finance and Administrations webpage at <https://www.muw.edu/finance/contracts/>. Legal review is required for all contracts over \$25,000 even if the University Standard Services Contract is used.

Vendor Contract

MUW offices should use the University Standard Services Contract instead of a vendor supplied contract. If the vendor insists on using their own contract, it should be attached to the University Standard Services Contract. All vendor contracts require legal review.

6. Contract Approvals and Routing Process

Contract Approval Process:

The Contract Owner should obtain a signed copy of the University Standard Services Contract and a Statement of Work/Quote. In some cases, the Vendor will request use of their contract. In that case, request both the signed vendor contract and the signed University Standard Services Contract from the vendor. If a vendor refuses the use of the University Standard Services Contract, then a signed vendor contract and a signed copy of the university addendum may be obtained. The university addendum can be found on the Finance and Administration webpage <https://www.muw.edu/finance/contracts/>. Only university counsel may waive the use of the addendum.

The Contract Owner or designee uploads the signed contract(s) and supporting documents into MUW's contract management software tool (ContractSafe). The Contract Owner will complete the required fields and select the approvers in ContractSafe to begin the routing process according to MUW and IHL guidelines. The process detailed below will apply to most contracts submitted to ContractSafe. See also ***IHL Policies and Bylaws 707.01 C***.

Contact Routing Process

Approver Selection:

- Director of Resources Management (RM): to verify State procurement law, IHL, and University procurement policies
- Contract Owner Supervisor/Budget Manager: each level is required where applicable, i.e., (Director, Department Chair, Dean), and the Supervising Cabinet Member
- University Legal Counsel: is responsible for verifying that state law, IHL policies, and University policies are followed, as outlined in IHL Policies and Bylaws 707.01 B, and must review and approve contracts exceeding \$25,000 or when a vendor refuses to use the University Standard Services Contract.
- VP for Operations/CFO: to verify funds are available.
- Upon all approvals, contracts up to \$75,000 will be signed by the VP for Operations/CFO. All contracts \$75,000 and over must be signed by the President.
- See number 9 approving *Information Technology-related purchases*
- Contracts that exceed \$250,000 in aggregate must also be approved by the IHL Board of Trustees. See ***IHL Policies and Bylaws 707.01 D***
- A fully approved and executed signed contract must be in ContractSafe before entering a Requestion.

Please note:

- The vendor or contractor should sign the contract and related documents before it is submitted for approval.
- The Counterparty name in Contract must match the Vendor name in Banner.
- Contract Details - Enter contract details in Contract Safe which includes: Counterparty (vendor), vendor contact info, contract owner, total value of contract, budget org#, description of services, effective date, termination date, and reminder if needed, and renewal/termination terms, check boxes when appropriate for minority owned business, ITS related, and PCard purchase
- Once submitted, the contract will enter the review process as outlined above. If revisions are required, Legal Counsel will make the necessary changes in ContractSafe.
- After all approvals are obtained, the VPO/CFO will initial any revisions, and the Contract

Owner should then send the contract to the contractor/vendor.

- The contractor/vendor will need to initial and date any revisions.
- Finally, the Contract Owner will submit the fully executed contract to ContractSafe BEFORE entering a requisition.

Contract Approval Process:

In the case a Cabinet Member is the contract owner, the President must be the final approver.

- 1. Contracts up to \$25,000 using MUW Standard Services Contract without Vendor terms and conditions attached**
 - Initially approved by RM
 - Followed by approval from the Department Head/Director/Dean/Cabinet member/CFO
 - Signed by the CFO
- 2. Contracts up to \$75,000 excluding contracts outlined in item 1 above**
 - Initially approved by RM
 - Followed by approval from the Department Head/Director/Dean/Cabinet member/Legal/CFO
 - CFO signature
- 3. Contracts valued in excess of \$75,000**
 - Initially approved by RM
 - Followed by approval from the Department Head/Director/Dean/Cabinet member/Legal/CFO/President
 - Final approval/signature from the President
- 4. Contracts valued at more than \$250,000 in aggregate - IHL Board approval required**
 - Initially approved by RM
 - Followed by approval from the Department Head/Director/Dean/Cabinet member/Legal/CFO/President
 - Final approval/signature from the President

7. Contract Approvers

By approving the Contract Review in ContractSafe, the Approver confirms the following:

- They have the budgetary authority to make all payments contemplated by the contract.
- They know the contract will further the mission of MUW.
- They do not have or know of any conflicts of interest related to the agreement.
- They have made a good faith effort to identify potential risks (financial, reputational, other) to MUW related to the contract and have taken reasonable actions to mitigate the risk and believe the risk to MUW is outweighed by the value received from the contract.
- They actively monitor the contract and its terms to ensure the university is receiving the agreed-upon goods or services, and are familiar with the termination and renewal policies of both the contract and the university.

Cancelling a Contract:

In the event a department needs to cancel a contract before it is fully executed, let Resources Management know. If a contract needs to be canceled after a contract is fully executed, contact the

VP for Operations/CFO or Legal Counsel.

8. Information Technology Related Purchases

The Mississippi Department of Information Technology Services (ITS) was created by the legislature to maximize the use and benefit of information technology in state government by promoting full cooperation, coordination, cohesive planning, and maximum compatibility among all state agencies and institutions of higher learning. State statute establishing ITS and outlining the duties and responsibilities of the agency is found in Mississippi Code Section 25-53-1.

All information technology purchases are required to follow the Mississippi Department of Information Technology Services (MSITS) Procurement Handbook (<https://www.its.ms.gov/sites/default/files/ProcurementPDFs/ISS%20Procurement%20Manual.pdf>).

All contracts and purchases of Information Technology equipment, software, and services, in excess of \$5,000 but less than \$75,000.01, must have two equivalent written bids/quotes and must be reviewed by the VP of Operations/CFO or his/her designee. The lowest quote must be selected. (*MS Code Section 31-7-13(c)*)

Contracts in excess of \$75,000 and up to \$250,000 require advertisement and a competitive bid process, which can take up to six months or more. Contracts above \$250,000 require MSITS approval and IHL Board approval.

9. IHL Board Approvals

Contracts over \$250,000 in aggregate and the sale or purchase of land.

IHL Board approval is required for all contracts over \$250,000. Contracts for the sale of land, regardless of the sales price, require IHL Board Approval, and contracts for the purchase of land over \$100,000 require IHL Board approval. ***IHL Policies and Bylaws 707.01 A***

Bookstore, Food service, or athletic concessions.

IHL Board approval is required for all bookstore, food service, or athletic concession contracts projected to generate aggregate total revenues of more than \$250,000 or if the term of such contract exceeds four years.

Easements and Real Estate Leases.

All easements and leases of land and office space require approval of the IHL Commissioner (up to \$100,000) or the IHL Board (over \$100,000). Any department that anticipates entering a new lease or renewing an existing lease should endeavor to complete the request at least three months in advance of the start date.

10. ContractSafe

Definitions:

- *Budget Org#:* The organization number the contract will be paid from *The Contract*
- *Conflict of Interest Declaration* – all parties approving the contract should be aware of and agree to the Conflict-of-Interest Declaration.
- *Contract Owner* – The “Contract Owner” is the person within the department responsible for submitting a contract for review. This individual typically has the most knowledge of

the contract's requirements and a deep understanding of the commodities, services, or revenue involved, along with key details such as timelines, quality standards, payment terms, and other specific contract elements.

- *Counterparty* - the Legal name of the individual or firm entering into the agreement with MUW. This should match the Vendor name in Banner.
- *Description of Consulting/Contract Services* – Brief description of agreement
- *Destination Folder*- is the Department requesting the agreement
- *Intake Form* – a form to be completed, which details the information about the contract and the contract owner.
- The contract review intake form includes mandatory fields that must be completed. Optional fields can be filled out if a specific department or division requires additional documentation. Please note that some divisions or departments may require these fields to be completed when seeking upper-level approvals.
- *Reminder Notice* - For contracts that may need to be renewed, the department can indicate if they wish to receive a notice reminding them of the need to pursue a new or renewal contract. This section allows the department to send a date on which the reminder will be issued. (optional)- This is set after you have fully entered the contract into the system. Clicking the bell above the termination date allows you to set it up *Review*
- *Renewal Information* – The information in the contract that clearly states how the contract renews. This is typically found in the Terms area of a contract. For example, some contracts auto-renew annually up to 5 years unless you provide a termination notice 90 days before the renewal date
- *Term of Contract* – The effective and termination dates of the contract are to start and end. It should be noted that there is no legal authority to sign an agreement after the services have been received. The effective date is the anticipated date when both parties have agreed to the contract. The end date is the anticipated date the work will be completed. These dates should be the same as the dates shown in the contract. Unless you have exact dates (i.e., a performance on a specific date), it is best to estimate a longer period to ensure work is not completed outside of the contract term. (Mandatory except in rare situations)
- *Value or Total Anticipated Cost* – The total cost over all terms, not a monthly or yearly cost if it is a multi-year contract, but the sum of all expected payments.

11. Post-Contract Safe Instructions

The Contract Owner is responsible for personally confirming receipt of the products and/or services, as well as ensuring compliance with all terms and conditions of the contract. If the Contract Owner is not personally knowledgeable about these conditions, it is their responsibility to verify with the appropriate individuals within the department to ensure compliance. Before marking and signing the Purchasing Receiving Report, the Contract Owner must verify that the invoice amount does not exceed the contracted amount.

Process for Single Payment Contracts

- *Verify Items/Services Received:* Ensure all items/services related to the invoice have been received, and that all contract terms and conditions have been met. Mark “COMPLETE ORDER RECEIVED” and sign the Purchasing Receiving Report.
- *Submit for Payment:* Send the signed Purchasing Receiving Report and the invoice to University Accounting for payment. This will close the purchase order and finalize the contract.

- After each check is issued, University Accounting will upload both the invoice and the check into ContractSafe and post payment information. This will finalize the terms of the contract.

Process for Contracts with Multiple Payments

After confirming that all items/services related to the invoice have been received and all terms and conditions have been met, the Contract Owner must follow these steps:

- **Verify Invoice Amount:** Ensure the invoice does not exceed the contracted amount by reviewing the contract in ContractSafe.
- **Partial Payment Process:** Once verified, mark “PARTIAL QUANTITY RECEIVED” on the Purchasing Receiving Report, attach the document marked Invoice, and submit to University Accounting for payment. This will allow the purchase order (PO) to remain open for subsequent payments.
- **Final Payment Process:** At the end of the contracted services, verify that the invoice amount does not exceed the contracted amount. Once confirmed, mark “COMPLETE ORDER RECEIVED” on the Purchasing Receiving Report, attach the invoice, and send it to University Accounting for the final payment.
- Once each check is issued, University Accounting will upload both the invoice and check into ContractSafe, along with the payment details. The payment will be deducted from the total contract amount until the balance reaches zero, thereby finalizing the terms of the contract.

Process for Contracts Paid with Foundation Funds

It is the department's responsibility to ensure that goods and services were received, the contract terms were met, and payments recorded in ContractSafe.