



Policy Title:	Contract Review & Approval Policy
Policy Owner:	Office of University Counsel
Effective Date:	March 22, 2022
Last Updated:	February 22, 2022
Related Policies:	Policy on Delegation of Signature Authority Conflict of Interest Policy
Related Forms:	N/A

I. POLICY STATEMENT

No officer or member of the Seattle University community may sign or otherwise execute a contract that binds the University unless the individual has complied with the procedures set forth in this Contract Review and Approval Policy (the “Policy”).

If the Contract Administrator does not understand the contract, or is uncomfortable with any of its provisions, they should consult with the next higher level of management or with University Counsel.

II. PURPOSE & BACKGROUND

In order to conduct its academic and business affairs, Seattle University enters into contractual agreements with third parties that involve a wide array of activities, including, but not limited to, services, consulting, maintenance, supplies, educational affiliations, performances, education abroad, service learning, facility use, construction, design, research, and publications. Well-executed contracts clarify and define the agreement between the parties and protect the University against unnecessary risk to its resources and reputation.

III. APPLICABILITY/RESPONSIBILITY

This Policy prescribes the procedures required for the development, amendment, renewal, review, approval, execution, and recordkeeping of contracts between Seattle University and any other party. It applies to all Seattle University employees and members of the University community and to all contracts, as defined below.

IV. DEFINITIONS

Contract: An agreement between Seattle University and another party that is intended to have a binding obligation and/or legal effect. Contracts contain the terms and conditions under which goods, services, or other considerations of value are furnished by either party. In addition to formal documents commonly understood to be contracts, documents such as service agreements, vendor agreements, leases, and letters or memoranda of agreement, understanding, and intent are contracts if there is a University interest at stake and something of value is exchanged. Procurement purchase orders are administered in accordance with the Procurement Office’s [policies and procedures](#). Employment agreements and faculty contracts are not covered under this Policy, and questions about those types of agreements should be directed to Human Resources or Faculty Services.



Contract Administrator: The University employee responsible for coordinating the initiation, negotiation, drafting, review, and approval of a contract. Contract Administrators must be University employees who have been designated by their supervisor and who have demonstrated by training and experience the competency to oversee proper performance of all contract commitments. Students or student employees may not be designated as Contract Administrators.

Contract Approver: The University official who has been granted or delegated signature authority by the Bylaws, the Board of Trustees, the President, the Provost, the Executive Vice President or the CFO/Vice President for Finance and Business Affairs to approve and execute the contract on behalf of the University.

V. POLICY REQUIREMENTS

Except where a written exception applies, the following requirements apply to all University contracts. Questions about the review and approval process or requirements for a particular type of contract should be directed to the Office of Finance and Business Affairs or to the Office of University Counsel.

A. Contract Initiation and Negotiation

Contract Administrators are responsible for the initiation, management, and completion of the contract process. Contracts may require weeks or months to prepare, modify, and/or review, depending on their complexities. Contract development should begin as soon as the need for a contract is clear. Although it is preferable to obtain a signed contract prior to the effective date of the relationship it memorializes, letters of agreement, term sheets, and memorandums of understanding can sometimes be drafted to guide the exchange of goods and services in the interim. The Office of University Counsel can assist in developing pre-contract documents.

If a Request for Proposal (“RFP”) must precede the contract development or review process, or if any type of competitive bidding is anticipated, Contract Administrators should allow a sufficient lead time (minimum six to twelve weeks) prior to the expected start date of the negotiations of the contract to complete the RFP and bidding process, as outlined in the University [RFX Process Guidelines](#). University employees seeking advice on RFPs or competitive bidding should contact the Procurement Office.

At the outset of any contractual discussions, the Contract Administrator should identify any University departments that will need to provide technical support, resources, facilities, personnel, or other services to fulfill the University’s obligations in the contract. The Contract Administrator should consult with these departments as necessary to assist with the development and review of the contract.

The Contract Administrator should consult with the Office of Finance and Business Affairs and the Office of University Counsel to assist in negotiating key business terms and incorporating those terms into a written contract for review, approval, and execution. Where possible, the use of standardized contracts with terms and conditions that have been reviewed and pre-approved by the Office of University Counsel, as described below in Section V.F *Legal Review*, is encouraged. Changes to standard contract terms and conditions must be reviewed and



approved by the Office of University Counsel and any other appropriate office listed in Section V.B *Uniform Treatment* prior to contract execution.

B. Uniform Treatment

In connection with the contracting process, the following operating activities require uniform treatment across the University:

- i. **Software Licenses, Cloud Services, and Technology.** The Chief Information Officer or a designee must review and approve all contracts involving technology that connects to the University's network, transmits data to or from University systems, stores University data, requires technology support from Information Technology Services (ITS), where ITS labor is required to install, maintain or enhance the technology, or that poses potential privacy or security risk to University systems, users, data, suppliers, or affiliates.
- ii. **License and Use of Seattle University Trade Names and Marks.** Any contract that includes a proposed use of Seattle University's trade names and marks by a party other than Seattle University must be submitted to Marketing and Communications for initial review in accordance with the [Seattle University Licensing Program](#), and subsequent approval(s) as appropriate.
- iii. **Tax Obligations.** Contracts for the provision of goods or services by Seattle University that fall outside Seattle University's traditional research and education functions may give rise to tax payment obligations and must be reviewed and approved by the Office of Finance and Business Affairs in consultation with University Counsel.
- iv. **Accounting Obligations.** Contracts for the provision of goods or services by Seattle University that fall outside Seattle University's traditional research and education functions may give rise to accounting obligations and must be reviewed and approved by the Controller's Office in consultation with the University Counsel.
- v. **Insurance Obligations.** Contract provisions that require Seattle University to provide or secure insurance or to name third parties as additional or named insureds must be reviewed and approved by the Director of Treasury & Risk Management in consultation with University Counsel.
- vi. **Sponsored Projects.** Any contract involving a grant or other funding from a private or public sponsor must be directed to the Office Sponsored Projects (OSP) for handling according to University policies and federal statutes, regulations, and policies relating to research and stewardship of sponsored funding.
- vii. **Purchase or Lease of Supplies, Services, Equipment, and other Goods.** Agreements to purchase and/or lease supplies, services, equipment, and other goods must comply with the Procurement Office's purchasing policies.
- viii. **Rental or Use of University Property.** All contracts for the rental or use of University property or facilities must have an approved Facilities Use Agreement and must comply with the University's facilities use guidelines.



- ix. **Construction or Renovation Projects.** All construction and renovation projects or any project that would alter the physical landscape of a building, either inside or outside, (e.g., moving walls, doors, or windows) or its operating systems (e.g., HVAC) must be approved through the Office of Finance and Business Affairs. All such projects must be completed according to the standard operating procedures and guidelines within Facilities Services.
- x. **Seattle University Investment Management.** All matters pertaining to Seattle University's investments and endowment, including the contracts related to hiring and terminating external investment managers, are handled exclusively by the Office Finance and Business Affairs in consultation with the University's Finance and Investment Committees in accordance with their approved policies and procedures.
- xi. **Real Estate Acquisition or Leasing.** All real estate acquisitions and/or leasing of property, whether Seattle University is a lessee or lessor, must be routed through the Office of Finance and Business Affairs.

C. Identification of the University

The University shall be identified as Seattle University in all contracts. Departments and individuals may not contract in their own name on behalf of the University; they must identify the University as the contracting party. (The department may be identified in the agreement as the office through which the contract is being made). The University's official address is 901 12th Avenue, PO Box 222000, Seattle, WA 98122-1090, and shall be listed in all contracts.

D. Conflict of Interest

It is the responsibility of all Seattle University representatives to ensure that Seattle University does not knowingly enter into contracts that present impermissible conflicts of interest. Seattle University employees must accordingly exercise their authority in a manner consistent with the University's Conflict of Interest Policy. Among other things, as required under University's Conflict of Interest Policy, any existing or proposed relationship, transaction, or other event that may raise a conflict of interest issue is to be disclosed in writing to the Office of University Counsel to determine its appropriateness and to receive specific approval to maintain or proceed with such relationship, transaction or event.

E. Primary Review

The Contract Administrator is responsible for reading the entire contract and determining that its content, objectives, definitions, and terms:

1. are clear and consistent;
2. comply with all applicable University policies (and sponsor policies if the contract is funded by an external grant or contract);
3. meet programmatic and/or operational requirements;
4. accurately reflect the intentions of the parties;
5. are in the best interest of the University;



6. do not constitute a conflict of interest for the parties affected by the contract.

In addition, Contract Administrators are responsible for ensuring that contracts are routed through appropriate University officials or departments for review prior to signing. If the Contract Administrator does not understand the contract, or is uncomfortable with any of its provisions, they should consult with the next higher level of management or with University Counsel.

F. Legal Review

University Counsel will review the contract for consistency with the law; consistency with University policies; reasonable internal consistency and clarity; consistency with any predecessor documents; indemnification and limitation of liability provisions; choice of forum or law; dispute resolution; non-disclosure or confidentiality; data security; and other matters as required by the circumstances. After finalizing and approving the form of the contract, University Counsel will inform the Contract Administrator who will secure necessary signatures from a Contract Approver.

Legal review and approval is not required in the case of University standardized form contracts which have been approved for use in writing by the Office of University Counsel, provided no changes have been made to the form contract.

As described above in Section V.A *Contract Initiation and Negotiation*, University Counsel will also assist with drafting and negotiating key contract terms where necessary and appropriate. Contract Administrators should consult with the Office of University Counsel early in the contract process if their assistance is needed during contract negotiations.

G. Executing the Contract and Contract Signature Authority

All contracts must be approved and signed by a Contract Approver or their authorized delegee. Only authorized officials may sign contracts on behalf of the University and consistent with the University's [Policy on Delegation of Signature Authority](#). Individuals do not have the authority to approve or sign contracts with external entities on behalf of Seattle University unless there is: (1) authority as set forth in the Bylaws of the University; (2) a resolution of the Board of Trustees; or (3) a valid written delegation of authority from the President, the Executive Vice President, the Provost or the CFO/Vice President for Finance and Business Affairs. Independent contractors and consultants do not have the authority to bind Seattle University.

Officials and other employees with signature authority are responsible for assuring the following:

1. An understanding of what is being approved;
2. The information and supporting documentation is accurate and complete;
3. The transaction is allowable, reasonable and justified;
4. The transaction is charged to the correct project(s);
5. There are adequate funds from an approved budget to cover the expense;
6. The funding source is appropriate for the expenditure;



- 7. No real or apparent conflict of interest on the part of the individual or area involved in the transaction; and
- 8. Appropriate consultation has taken place with constituencies that might be impacted by the transaction or contract.

H. Contract Administration Following Execution

The Contract Administrator is responsible for overseeing proper performance of all contract commitments and for coordinating timely notice of contract renewal or termination as may be appropriate.

I. Record Retention

Each administrative unit, department or area of the University that executes a contract pursuant to proper approval and signature authority must keep the signed contract on file for the period of the contract plus seven (7) years or the period required by law or the contract, whichever is longer. If a signed contract is sent to a different location, a log must be maintained describing the contract and indicating where it is being kept. Copies of all executed contracts must also be sent to the Office of University Counsel if they satisfy one or more of the following criteria: (1) the contract is in excess of \$50,000, (2) the contract is for a commitment longer than three years, (3) the contract includes any indemnification provisions, or (4) the contract has a limitation of liability provision.

VI. VIOLATIONS

A contract signed by an employee or member of the University community without documented signature authority is null and void when signed. A contract signed without adhering to the procedures set forth in this Policy is voidable at the University’s sole option. Individuals responsible for the execution of a contract without documented signature authority or without adhering to the procedures set forth in this Policy may be personally liable for the obligations assumed under such contract and are subject to disciplinary action up to an including termination of employment.

VII. RELATED INFORMATION

Item	Description
University Links	Policy on Delegation of Signature Authority Conflict of Interest Policy Procurement Office Policies & Procedures RFX Process Guidelines Seattle University Licensing Program
Forms	N/A
Related Links	N/A
Procedures	N/A