

## Montclair State University

### Procedures for Obtaining Legal Review and Approval of Contracts

As some of you know, there have been changes made to the legal review and contract approval process for the University. **To properly execute an agreement and gain approval for any contract, the following steps must be taken.**

All purchase transactions with the University require the University to issue a Purchase Order. **The Purchase Order is the contract. All vendors should be strongly encouraged to accept the University's Purchase Order as the contract.** If the vendor requires a signed contract, it must sign the University's Standard Terms and Conditions. The University's Standard Terms and Conditions can be found on the Procurement Services webpage at:

<https://www.montclair.edu/media/montclair.edu/financetreasurer/forms/procurementforms/Terms-and-Conditions-1-25-18-cp.pdf>

**A vendor should be strongly discouraged from making any changes to the University's Purchase Order and Standard Terms and Conditions.** Exceptions to the University's Standard Terms and Conditions are rarely granted and only in cases where the goods or services provided are extraordinary and unique.

All University employees must demonstrate they have met the applicable provisions of the University's Procurement Policies. The Procurement Policies and Procedures can be found on the Procurement Services webpage at:

[https://www.montclair.edu/media/montclair.edu/financetreasurer/forms/procurementforms/PROCUREMENT-POLICIES\\_Final-Approved-by-BOT-10-25-17-w-cp-updates-12-6-17.pdf](https://www.montclair.edu/media/montclair.edu/financetreasurer/forms/procurementforms/PROCUREMENT-POLICIES_Final-Approved-by-BOT-10-25-17-w-cp-updates-12-6-17.pdf)

#### **STEPS TO RECEIVING APPROVAL OF CONTRACTS:**

- The following steps must be followed if you require a contract to purchase goods and services that was **NOT** initiated by an RFQ or RFP through Procurement Services, or if a contract does **NOT** involve the purchase of any goods and services.
- **You must also allow a minimum of 17 business days for this process. It is imperative that you plan ahead and allow sufficient time to comply with this process.**
- To assure that contracts have met the University's Procurement Policies and have been approved by the supervising Vice President, University Counsel has developed the "Montclair State University Contract Approval Sheet" and it has been posted on the webpage of the Office of University Counsel at:

<http://www.montclair.edu/media/montclair.edu/president/contract-approval-checklist.pdf>.

- The individual within the Department who initiates the contract must sign and is responsible for obtaining all signatures to the Contract Approval Sheet, transmit all documents described below to Procurement Services, University Counsel, and the vendor, and obtain the vendor's signature to contracts.

#### **A. CONTRACTS INVOLVING GOODS AND SERVICES:**

1. The Department must complete the Contract Approval Sheet, obtain signatures from its Vice President/Dean, and transmit it with all documentation to Procurement Services. In addition, the funds must be encumbered by entering a requisition into the Financial Management System (FRS).

2. If a vendor requests exceptions to the University's Standard Terms and Conditions or requires the University to execute the vendor's form of contract, those documents must be transmitted to Procurement Services with the Contract Approval Sheet.
3. Procurement Services will either sign the Contract Approval Sheet if the initiating department has complied with the University's Procurement Policies, or reject it stating the reasons why, and return it to the initiating Department.
4. After the Contract Approval Sheet is signed by Procurement Services, it and the contract will be transmitted to the Office of University Counsel for review, with a copy to the Department.
5. University Counsel will review the contract, make any necessary revisions, and return it to Procurement Services and the Department noting any changes needed.
6. The individual within the initiating Department is responsible for forwarding any changes to the contract to the vendor and following up with the vendor to confirm acceptance.
7. When the vendor confirms acceptance of the contract, University Counsel will approve execution of the contract by signing the Contract Approval Sheet.
8. University Counsel will forward the signed Contract Approval Sheet and contract to Procurement Services and the Department. Procurement Services shall be responsible for obtaining the Vice President for Finance and Treasurer's signature to the contract. After the contract is signed by the Vice President for Finance and Treasurer, then Procurement Services will forward the signed contract and Purchase Order to the Department to send to the vendor.
9. **No contract may be signed unless it has been approved by University Counsel. Only the University's President and Vice President for Finance are authorized to sign a contract that involves the purchase of goods and services by the University.**
10. Procurement requires (7) business days, if all policies and New Jersey State Requirements have been met, to issue the Purchase Order and have the contract signed by the Vice President for Finance and Treasurer.
11. University Counsel requires ten (10) business days to review a contract.

## **B. CONTRACTS NOT INVOLVING PURCHASES:**

**If the contract does not involve the purchase of goods and services by the University, the Contract Approval Sheet is not required to be signed by Procurement Services.** In those cases:

1. The Department must complete the Contract Approval Sheet; obtain signatures from the Department Chair, Dean and/or AVP (as appropriate) and Vice President.
2. The Vice President must submit the fully signed Contract Approval Sheet, contract and/or contract exceptions to University Counsel for review.
3. University Counsel will review the contract, make any necessary revisions, and return it to the Vice President and/or the individual within the initiating Department who prepared the Contract Approval Sheet with any changes needed.

4. The individual within the initiating Department is responsible for forwarding any changes to the contract to the vendor and following up with the vendor to confirm acceptance.
5. When the vendor confirms acceptance of all contract changes, University Counsel will approve execution of the contract by signing the Contract Approval Sheet.
6. **No contract may be signed unless it has been approved by University Counsel. Only the University's President and Provost, or their written designee, are authorized to sign an affiliation agreement, agreement of cooperation, acceptance of grant funds, research agreement or other similar agreements.**
7. University Counsel shall forward the signed Contract Approval Sheet and final contract to the Department who shall obtain the signature of the President or Provost.
8. University Counsel requires ten (10) business days to review a contract.

After a contract is signed, the initiating Department is responsible to manage the contract in accordance with the Contract Management Policy adopted by the Division of Finance which can be found at:

<http://www.montclair.edu/media/montclair.edu/financetreasurer/forms/accountingsvcs/ContractManagementPolicy.pdf>.

Attached:  
Contract Approval Sheet

## Montclair State University Contract Approval Sheet

**Must Be Completed Prior to Submission to the Office of University Counsel**

### For Review of All Contracts

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1. Individual initiating contract: a) \_\_\_\_\_;  
b) Campus Address and Extension: \_\_\_\_\_;  
and c) name of vendor \_\_\_\_\_.

2. Does this contract require: a) \_\_\_\_\_ MSU to purchase goods or services that are either less than the bid threshold or qualify as a waiver of advertising under the Procurement Policies ([http://www.montclair.edu/media/montclair.edu/financetreasurer/forms/procurementforms/Procurement\\_Policies.pdf](http://www.montclair.edu/media/montclair.edu/financetreasurer/forms/procurementforms/Procurement_Policies.pdf)); b) \_\_\_\_\_ MSU to accept a grant award or subaward; c) \_\_\_\_\_ Funding of research; d) \_\_\_\_\_ Create an academic program with another institution; e) \_\_\_\_\_ Establish an internship; f) g) \_\_\_\_\_ MSU will provide a service, e.g. fee-for-service; h) \_\_\_\_\_ Purchase information technology; or i) Other (please describe):

\_\_\_\_\_

3. Purpose and summary of contract terms and conditions (attach additional pages if necessary):

4. Did the party to the contract sign MSU's standard terms and conditions? Yes \_\_\_\_\_ No \_\_\_\_\_

5. All individuals signing below acknowledge and agree to the following:

a) I have read, understand and approve the terms and conditions of the contract; b) I believe MSU can do all that it is required to do in this contract in the time frames specified; c) I have verified that the department involved in administering or implementing this contract can do what is required (See "Contract Management Policy" - <http://www.montclair.edu/media/montclair.edu/financetreasurer/forms/accountingsvcs/ContractManagementPolicy.pdf>).

**Signatures must be obtained as indicated on the following page before submitting the contract to University Counsel to review:**

**6. Approvals and Authorizations**

**Contracts that involve the payment or receipt of money by the University:**

Signature Date

A. Individual Initiating Contact \_\_\_\_\_

B. Procurement Services \_\_\_\_\_

C. Vice President \_\_\_\_\_

D. IT (when applicable)<sup>1</sup> \_\_\_\_\_

**Academic Programs and Affiliation Agreements**

Signature Date

A. Individual Initiating Contact \_\_\_\_\_

B. Dean of College/School \_\_\_\_\_

C. Assoc. Provost for Office of International Engagement<sup>2</sup> \_\_\_\_\_

D. Provost: \_\_\_\_\_

**Grants/Research Agreements/Fee for Service Agreements**

Signature Date

A. Individual Initiating Contact \_\_\_\_\_

B. Director of OSRP<sup>3</sup> \_\_\_\_\_

C. Director of Treasury Operations (fee for service only) \_\_\_\_\_

D. Provost \_\_\_\_\_

**The Office of University Counsel approves the attached contract for signature by:**

\_\_\_\_\_

\_\_\_\_\_

<sup>1</sup>The Contract Approval Sheet authorizing the purchases of software or IT equipment must be signed by the Vice President for Information Technology or his/her designee. Contracts that involve the purchase of software as a service also require submission of a Software Security Checklist to the Security Official in IT (currently Brian Beckett).

<sup>2</sup> Required for agreements with institutions located outside of the United States.

<sup>3</sup> Fee-for-service activities, e.g., testing, analysis, assessment, require a compliance and budget review by ORSP prior to Finance and Treasury Approval.