



#### ADMINISTRATIVE POLICY

Policy Type:	Contract Authority
Policy Number:	3110
Date Adopted:	2/15/2012
Version:	5.0
Review Cycle:	Biennial
Date Last Reviewed:	4/22/2020
Office Responsible:	President's Office
Reviewing Committee:	Leadership
Related Policies:	Board Policy: Executive Limitations - Financial Condition and Asset Protection; Record Retention Policy;
Related Laws:	Community College Act of 1966, Act 331 of 1966

#### **Policy Summary:**

This policy describes the responsibilities of the President, and the authority that has been delegated others (See Attachment A) for the execution of all contractual agreements entered into by, for or on behalf of Jackson College (JC). No one at Jackson College has the authority to make oral promises to establish oral contracts including employment contracts.

#### **Scope:**

This policy is intended to ensure that any commitment of College resources, and all related agreements obligating the College, are properly reviewed and approved. This policy applies to any and all contractual agreements entered into by the President, or those entered into by persons so authorized by the President. This policy also identifies the individuals who are authorized to contract/commit institutional resources on behalf of the College, as determined by the President, through agreements executed in its name. (See Attachment A)

#### **Definition:**

**Contract:** an agreement between two (2) or more parties, one of which is Jackson College, which purports to obligate JC to perform some responsibility, take specific action, or have legal effect. Contracts include, but are not limited to, the following: memoranda of understanding, memoranda of agreement, letters of understanding, purchase orders, non-disclosure agreements, confidentiality agreements, facility use agreements, affiliation agreements, consultant or performance agreements, licensing agreements, liability waivers, deeds, and leases.

#### **Policy Statement:**

The President has the authority to enter into negotiations which result in the approval and/or signing of contracts on behalf of JC pursuant to the Community College Act of 1966, 389.124, Sec. 124, and the Jackson College's Board Policy: Board-Staff Relationship which delegates the President as the Chief Executive Officer (CEO) of the College. As long as the President uses any reasonable interpretation of the Board's ENDS and Executive Limitations policies, the President is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities. The President has the sole authority to act on behalf of the College regarding assignment of contract monitoring.

The President may delegate, at his discretion, "authorized signers" to enter into negotiations and/or approve, or sign contracts on behalf of the College (See Attachment A). All delegations of signatory authority must be reviewed annually and delegations must be to specified positions, not to individuals. No authorized signer is ever permitted to enter into an agreement that exceeds a 365 day period. The authority associated with a delegation may not be exercised by an individual prior to, or subsequent to his or her effective dates of employment with the College. The President's proper delegation of signing authority to execute contracts that

bind the College is required to minimize financial, legal and related risks and to ensure that appropriate fiscal and management controls are in place for the College.

The President, or delegated authorized signer, shall enter into a contract only as the President deems appropriate after carefully weighing all matters. It is the responsibility of the President and delegated authorized signers to ensure that the College does not knowingly enter into any contract that presents a conflict of interest. It is the responsibility of the President, or delegated authorized signer, for having familiarity with the contract in its entirety, any related materials and attachments, and for making any changes that are needed to accurately reflect the contractual agreement. Anyone else, other than the President, or a delegated authorized signer, who enters into a contract that purports to bind the College, is acting without authority and may be subject to discipline. Therefore, it is important for each employee to recognize the extent of their own authority.

All contracts shall be in writing and executed in the name of Jackson College. Departments, offices, student organizations, and individuals may not be named as parties to any contract, but may be reference in the body of the contract. The College shall not be obligated to honor oral promises of any kind including employment (continued employment, recurring employment, promotions, exceptions to rules or past practice and other types of special treatment). . Executed contracts must be maintained in accordance with the College’s Record Retention Policy.

**Attachment A:**

Type of Contract/Agreement	Authorized Signer	Reviewed by	Retained by
All areas not specified	President		
Articulation	President	Vice President for Instruction, Deans, Vice President of Student Services; Registrar	
CCE Trainer Contracts	President	Director of Workforce Training, Vice President for Instruction	Corporate & Continuing Education
CCE Training Agreements	President	Director of Workforce Training, Vice President for Instruction	Corporate & Continuing Education
Clinical Site	President	Vice President for Instruction	Vice President for Instruction
Donations to JC	President JC Foundation	President, JC Foundation	Foundation
Employment Contracts	President	VP of Administration	Human Resources
Leases	President		
MI New Jobs Training Program	President	President	Corporate & Continuing Education
MI New Jobs Training Program - Letters of Intent	President	Vice President for Instruction	Corporate & Continuing Education
Professional Services Agreements	President	VP of Administration	Human Resources
Purchase	Controller	Controller	Business Office
Renting out JC Facilities	VP of Administration	VP of Administration	Community Relations
Room Rental, Off Site locations	Off Campus Administrator	Off Campus Administrator	Off Campus Administrator
Institutional Scholarships	President JC Foundation	President JC Foundation	Foundation
Technical Licenses	VP of Facilities and Information Technology	VP of Facilities and Information Technology	Information Technology

Facilities Contracts	VP of Facilities and Information Technology	VP of Facilities and Information Technology	Facilities
Sponsorships by JC	VP of Administration	VP of Administration	Community Relations
Performance contracts	VP of Administration	VP of Administration	Community Relations
3rd Party billing for Student Accounts	VP of Finance	VP of Finance	Business Office

**Change Log:**

<u>Date Of Change</u>	<u>Version</u>	<u>Description of Change</u>	<u>Responsible Party</u>
2/3/12	1.0	Draft	A. Stiers
9/14/12	2.0	Wording changes	A. Stiers
4/9/14	3.0	Edits from Leadership Council	Chief of Staff
4/12/17	4.0	Review by Leadership Council	Chief of Staff
4/22/20	5.0	Normal Review	Chief of Staff