

1 Contracting Authority (Non-employment Related)

2 Effective: July 1, 2008

3 Updated/Revised: September 21, 2016

4 Contact: [Office of University Counsel](#)

5 Introduction

6 In order to assure compliance with law and with policies of the Board of Regents, State of Iowa, and to
7 manage risks associated with binding commitments, contracts and agreements should be signed by
8 persons who have the appropriate expertise or who can assure that the appropriate review of such
9 documents occurs. This policy is intended to assure that university commitments through contracts and
10 agreements are properly executed.

11 This policy is applicable to all contracts other than employment agreements. For hiring authority, see
12 Resources (below).

13 Authority retained by Board of Regents

14 The Board of Regents has retained authority to approve contracts for the following transactions as
15 provided in the Regents Policy Manual (RPM 2.2, 2.3) and Iowa Administrative Code (681 IAC 8 and 681
16 IAC 13.8):

- 17 • Real estate purchases, sales, security interests and easements (except for disposal of buildings of
18 a value of less than \$25,000)
- 19 • All land leases (except farm leases) and all other real property leases with any of the following
20 terms: 10,000 gross square feet or more, for an annual rental cost of \$125,000 or more, for a
21 period of greater than five years or which include an option or right of first refusal to purchase
- 22 • Legal advice or representation, bond counsel or bond-related financial advisors
- 23 • Contracts for construction of capital improvements projects with an estimated cost of \$500,000 or
24 more
- 25 • Contracts for the renovation, modification or improvement of president's residence with an
26 estimated cost of more than \$100,000
- 27 • Contracts for architectural, engineering, construction management, and other design professional
28 and consulting services on capital improvement projects with budgets of \$1,000,000 or more
- 29 • Feasibility study agreements for capital improvement projects if the costs of the study is expected
30 to be \$100,000 or more
- 31 • Contracts for fire protection services
- 32 • Equipment with a unit cost of \$1,000,000 or more

33 Authority delegated to president

34 Except for the matters for which it has retained authority, the Board of Regents has delegated authority to
35 the president to sign contracts.

36 Authority delegated by president

37 The president is permitted to delegate the authority to sign contracts to others. The president has
38 delegated authority to sign non-employment related contracts to the following:

- 39 • **Chief of staff/chief financial officer** – general authority
- 40 • **Senior vice president for university services** – general authority except for contracts relating to
41 the management and operation of Ames Laboratory

42

- 43 • **Senior vice president and provost –**
44 ○ Applications, proposals, grants, contracts and agreements relating to economic development,
45 research and sponsored projects, and
46 ○ Contracts and agreements relating to educational consortia, joint educational projects,
47 cooperative education, service learning, internship opportunities and academic instruction
48 provided by others
49 • **Vice president for research and director of the Office of Sponsored Programs**
50 **Administration –**
51 ○ Applications, proposals, grants, contracts and agreements relating to economic development,
52 research and sponsored projects

53 **Policy Statement**

54 **Review**

55 Contracts requiring Board of Regents approval (see above) must be reviewed by either the chief of
56 staff/chief financial officer or the senior vice president for university services (or by university counsel in the
57 case of contracts for legal advice or representation) for presentation to the Board of Regents for approval.
58 Transactions for real estate, leases and capital improvement projects requiring Board of Regents approval
59 must also be reviewed by the Capital Projects Advisory Committee (CPAC) prior to raising funds or drafting
60 agreements for such transactions.

61 **Further delegation**

62 The officials to whom the president has delegated authority may delegate some or all of the authority
63 vested in that official, including authority to re-delegate, by a memorandum of delegation approved by the
64 Office of University Counsel. In addition, delegation may occur by adoption of a university policy granting
65 contracting authority.

66 **Documentation of delegation**

67 Memoranda of delegation must be filed with the Office of University Counsel and the assistant vice
68 president for business services. The Office of University Counsel is responsible for the retention of
69 memoranda of delegation.

70 **Authority of managers of fee-for-service units**

71 Approval to conduct activity as a fee-for-service unit with entities outside of the university constitutes a
72 delegation of authority for the manager of the service center to enter into agreements for providing the
73 approved services. For purposes of this policy, a "fee-for-service unit" is any unit that provides, for a fee,
74 goods and/or services to individuals, businesses or other entities outside the university.

75 **Resources**

76 **Links**

- 77 • [Contracting at ISU; Contract Assistance \(Office of University Counsel\)](#)
78 • [Contract Delegations Website](#)
79 • [Purchasing Department Policies and Procedures](#)
80 • [Signature Authority for Internal Transactions](#)
81 • [Fee-For-Service Operations](#)
82 • [Hiring Authority](#)
83 • [Iowa Administrative Code \(IAC\) §681-13.8 Contracting Authority](#)
84 • [Iowa Code §§262.9, 262.10, 262.32](#)
85 • [Board of Regents Policy Manual \(RPM\) - see §2.2 and §2.3](#)