



## HLC Accreditation Evidence Document

**Title: UAPPM Policy 2010: Contracts Signature and Review**

**Office of Origin: University Administrative Policies and Procedures Manual**

**Description:** The UAPPM Policy concerning who is authorized to sign contracts on behalf of the University.

Date: 2016



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## Administrative Policies and Procedures Manual - Policy 2010: Contracts Signature Authority and Review

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Authorized by Regents' Policy 7.8 "Signature Authority for Contracts"

Process Owner: Executive Vice President for Administration/CFO/COO

### 1. General

This policy designates who, within the University, is authorized to sign contracts on behalf of the University. All previous delegations or communications on this subject are superseded. Contracts may be signed on behalf of the University only by:

- A person in a position specifically authorized by the Board of Regents.
- An executive vice president or vice president to whom the University President has delegated the authority delegated to the President by the Board of Regents, as specified in this policy and in RPM 7.8 ("Signature Authority for Contracts").
- The Chief Procurement Officer, as specified in this policy and in RPM 7.8 ("Signature Authority for Contracts").
- A person who has received a sub-delegation in accordance with the body of this policy or its Exhibits B1 and B2.

### 2. Contract

For the purposes of this policy, a "contract" is defined as a written agreement between two (2) or more parties intended to have legal effect, including Memorandums of Understanding, Memorandums of Agreement, Nondisclosure Agreements, and Letters of Understanding, in one of the following forms listed below.

- Documents signed by UNM and another party or other parties.
- Offers signed by UNM.
- Certain pre-approved UNM forms signed by others.
- Contract forms promulgated by others signed by UNM.

The term "contract" does not include written agreements between different departments (or other similar units) of the University. Such interdepartmental agreements may consist of email correspondence between, or documents signed by, the parties' designees. These agreements are not legally binding, so their sole purpose is to memorialize mutually acceptable arrangements. University Purchase Orders, although contracts, are also discussed in [UAP 4320 \("Purchasing Goods Off Campus"\)](#) and [UAP 4325 \("Purchasing Professional Services From Independent Contractors"\)](#).

## 2.1. Electronic Signatures

Electronic signatures have the same force and effect in contracts as traditional signatures, when all of the parties to the contract agree to conduct their transaction by electronic means. "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

## 2.2 Scans and Faxes of Signatures

Signatures delivered by facsimile transmission, by e-mail of a ".pdf" format data file, or by transmission of a data file in another legible format have the same force and effect in contracts as traditional signatures on original documents, if the chosen delivery method is mutually acceptable to the parties.

## 3. Signature Authority and Delegation

The University has a centralized system of signature authority. The Regents have delegated general signature authority to the University President, who has delegated portions of that authority under this policy to the:

- Executive Vice President for Administration
- Executive Vice President for Academic Affairs and Provost (hereafter Provost)
- Executive Vice President and Chancellor for Health Sciences (hereafter Chancellor for Health Sciences)
- vice presidents
- Chief Procurement Officer

### 3.1. Sub-delegations of Authority

Although under limited circumstances these positions may further delegate that authority by using the Delegation of Signature Authority Form ([Exhibit A](#)), such delegations require approval by the University President and should be used only when necessary and not defeat the centralized intent of this policy. After obtaining the President's approval the individual requesting the delegation should forward a copy to the Policy Office and to the individual being delegated signature authority. [Exhibit B1](#) (Main Campus and Branches) and [Exhibit B2](#) (Health Sciences Center) list all such delegations made prior to the date shown on the exhibit and will be updated, as appropriate.

### 3.2. Delegations to Positions Not Individuals

All delegations shall be to a position within the University and not to the individual holding the position at the time of the delegation. When there is turnover in a position, the new individual has the authority of the previous incumbent. Persons in an acting or interim position also have the general signature authority of that position.

## 4. General Delegation of Signature Authority

Throughout this section, certain signature authority delegations are made for "main campus and the branches." For the purposes of this policy, "main campus and the branches" refers to all components of the University of New Mexico outside of the Health Sciences Center, including, for example off-campus centers, graduate centers, the athletic campus, rented buildings, and other off-campus sites.

## **4.1. Operations**

The Executive Vice President for Administration has authority to sign all contracts, except those reserved to the University President, Chancellor for Health Sciences, or to the Regents and those used for the purchase of goods and/or services (refer to Section 4.2. herein).

The Chancellor for Health Sciences has authority to sign all contracts for the Health Sciences Center, except those reserved to the University President or to the Regents, contracts for the purchase of goods and/or services (refer to Section 4.2. herein), settlement agreements (except in accordance with Section 4.7. herein), intellectual property assignments (refer to Section 4.8. herein), real estate contracts (refer to Section 4.9. herein), and contracts for purchase of construction and certain professional services (refer to Section 4.10. herein).

Signature of employment contracts for officials reporting to the University President is reserved to the President and may not be delegated.

These delegations overlap with many of the more specific delegations listed below.

## **4.2. Contracts for Certain Goods and/or Services**

The Chief Procurement Officer or delegee has exclusive authority to sign contracts for the purchase of goods and/or services, other than construction contracts and certain professional services contracts, as set forth in Section 4.10. herein. The purchase of goods and/or services for clinical components of the Health Sciences Center may be performed by the University of New Mexico Hospital Purchasing Department, as a separate satellite purchasing office of the University, in compliance with University procurement policies and procedures.

## **4.3. Research and Other Sponsored Projects**

### **4.3.1. Main Campus and the Branches**

#### **4.3.1.1. Contracts and Grants Documents**

The Executive Vice President for Administration has authority to sign contracts and grant documents requiring approval for sponsored projects for main campus and the branches.

#### **4.3.1.2. Proposals**

The Vice President for Research has authority to sign proposals for sponsored projects.

#### **4.3.1.3. Research Contracts Not Covered by Other Sections**

The Vice President for Research has authority to sign research contracts not involving the receipt or expenditure of funds or otherwise incurring direct financial obligations and not covered by other sections.

### **4.3.2. Health Sciences Center**

The Chancellor for Health Sciences has authority to sign contracts, grant documents, proposals, and other agreements for research or sponsored projects for the Health Sciences Center.

## **4.4. Employment Contracts**

### **4.4.1. Faculty Employment**

The Provost has authority to sign faculty employment offers and contracts for main campus and the branch campuses. The Chancellor for Health Sciences has authority to sign faculty employment offers and contracts for the Health Sciences Center.

### **4.4.2. Staff Employment**

#### **4.4.2.1. Annual Employment Contracts**

The executive vice president or vice president responsible for the employment position being employed and the Chancellor for Health Sciences and the University President have authority to sign employment contracts and offers for contract employees under UAP 3240 ("Contract Employees").

#### **4.4.2.2. Offers of Employment**

All offer letters must be produced and completed by the Division of Human Resources for signature by the hiring official. Any changes or variations to the offer letter must be approved in advance by the Vice President for Human Resources.

### **4.4.3. Student Employment**

The Provost has authority to sign contracts for student employment, including work study positions for main campus. The Chancellor for Health Sciences has authority to sign contracts for student employment, including work study positions for the Health Sciences Center.

## **4.5. Contracts Affecting Students**

### **4.5.1. Financial Aid and Loans to Students**

The Provost has authority to sign applications and proposals to outside funding entities, short-term emergency promissory notes to students, and other agreements relating to financial aid programs administered by Student Financial Aid. The Executive Vice President for Administration has authority to sign contracts with outside funding entities and other loans to students.

### **4.5.2. Student Housing**

The Executive Vice President for Administration has authority to sign contracts relating to student housing.

### **4.5.3. Other Contracts Relating to Students and Not Covered by Other Sections**

The Provost has authority to sign other contracts relating to students not involving the receipt of funds from the other party. The Executive Vice President for Administration has authority to sign other contracts relating to students involving the receipt of funds.

## **4.6. Academic Matters**

The Provost has authority to sign contracts concerning academic matters not involving the receipt or expenditure of funds for main campus. The Chancellor for Health Sciences has authority to sign contracts concerning academic matters not involving the receipt or expenditure of funds for the Health Sciences Center.

## **4.7. Settlement Agreements**

It is the official policy of the University to avoid financial settlements of claims and lawsuits against the University except when appropriate. When the contract is a settlement agreement, release of rights, or similar agreement resolving legal claims against the University, there must be (a) an appropriate risk assessment of the case, (b) written approval by the Executive Vice President for Administration, Provost, or Chancellor for Health Sciences, and (c) final approval by the University President.

A financial settlement payment by the University of \$400,000 or more must also be approved by the Board of Regents.

## **4.8. Intellectual Property Assignments**

The Executive Vice President for Administration has authority to sign agreements assigning intellectual property rights by or to the University, except contracts for purchases by the University which must be signed by the Chief Procurement Officer (refer to [Section 4.2.](#) herein).

## **4.9. Real Estate**

### **4.9.1. Main Campus and the Branches - Real Estate**

#### **4.9.1.1. Short-Term Leases of UNM Real Property and Leases of Others' Real Property of a Period of Six (6) Months or Less**

The Chief Procurement Officer is authorized to sign all short-term real estate leases.

#### **4.9.1.2. Long-Term Leases of UNM Real Property and Leases of Others' Real Property of a Period Exceeding Six (6) Months**

The Executive Vice President for Administration and the Chief Procurement Officer are authorized to sign all long-term real estate contracts. Both signatures are required.

#### **4.9.1.3. Other Real Estate Contracts**

The Executive Vice President for Administration is authorized to sign all other real estate contracts.

### **4.9.2. Health Sciences Center**

The Chief Procurement Officer and the Executive Vice President for Administration have authority to sign real estate contracts for the Health Sciences Center to the extent provided in Section 4.9.1. above, with the proviso that all such contracts must bear the written approval of the Chancellor for Health Sciences.

## **4.10. Construction Contracts with External Contractors and Contracts for Purchase of Professional Services Related to Architectural Services, External Auditing Services, Debt Financing, and Investment Management**

The Executive Vice President for Administration and the Chief Procurement Officer are authorized to sign all construction contracts with external contractors and contracts for purchase of professional services related to architectural services, external auditing services, debt financing, and investment management. Both signatures are required.

## **4.11. Athletics**

The Vice President for Athletics is authorized to sign all game contracts and contracts for rental of Athletic facilities.

## **5. Contract Review**

Each contract must be carefully reviewed by the University employee initiating the contract and a University contract review officer. The University administrator with signature authority may designate additional review requirements for particular types of contracts, such as University Counsel for legal issues or Controller's review for budget. If the contract is reviewed by an attorney in the Office of University Counsel, it still requires review by a contract review officer.

Pre-approved form contracts are discussed in Section 6.

## 5.1. University Employee Initiating the Contract

The person initiating the contract for the University is responsible for reading the contract entirely and determining that:

- the contract language accurately reflects the current state of negotiations;
- the contract meets programmatic and University mission requirements;
- the contract represents a good deal for the University;
- the contract defines measurable deliverables;
- he or she can ensure compliance with the obligations it places on the University;
- safety and risk management concerns have been reasonably addressed; and
- the contract is sufficiently clear and consistent.

After being satisfied with the form and content of the contract, the initiating employee may complete the appropriate sections of the Contract Review Form (Exhibit C.) To the extent the initiating employee does not understand the proposed contract, or is uncomfortable with any of its provisions, he or she may note that information on the Contract Review Form or attach an explanatory memo. He or she shall submit the contract along with any other necessary documents, such as a copy of the purchase requisition where required, to the appropriate contract review officer for processing. Offices that have contract review officers for certain areas of specialty within the University are listed on the Contract Review Form. The initiating department should submit a purchase requisition, if required, into the system for approval

### 5.1.1. Contract Amendments

Any material changes to contracts will be processed in the same manner as the original contract and must indicate to which contract they pertain.

## 5.2. Contract Review Officer

Each administrator granted signature authority by this policy shall designate one or more contract review officers for contracts under their purview. All contract review officers shall be UNM employees. The University Counsel's Office will train contract review officers and will set training requirements necessary to maintain contract review officer status. The contract review officer will review for the concerns described in Section 5.1. herein with particular attention to safety and risk issues. The contract review officer shall also perform the following review functions for each contract, prior to submission to a person with signature authority.

### 5.2.1. Legal Form

The contract review officer shall review contracts to ensure all the requirements listed in Section 5.1. have been met and review the contract to the extent appropriate for:

- consistency with law (obtaining University Counsel review, if necessary);

- consistency with UNM rules and regulations;
- reasonable internal consistency and clarity; and
- consistency with any predecessor documents.

### 5.2.2. Other Institutional Reviews

The contract review officer shall determine what other institutional reviews are necessary prior to submission of the contract for signature, indicate these reviews on the form, and coordinate obtaining the appropriate reviews. In particular, contract review officers are responsible for making sure that departments which will be obligated or otherwise affected by the performance of a contract have an adequate opportunity to review the contract. The routing for particular types of contracts will generally be established by the person with signature authority. The contract review officer will coordinate the reviews and then forward the contract to the person with signature authority.

### 5.3. Contract Review Form

Contracts submitted for signature may be accompanied by a Contract Review Form ( If a Contract Review Form is used, individuals reviewing the proposed contract prior to its signature (execution) shall sign the Contract Review Form indicating that they have reviewed it, and what they reviewed it for. The Contract Review Form will normally have at least two (2) signatures consisting that of the initiating employee (originator), and that of a contract review officer.

### 5.4. Signature (Execution) of Contract on Behalf of University

The contract review officer will forward the contract to the University administrator who has been delegated signature authority for that contract. The administrator who signs the contract shall appoint a UNM employee responsible for monitoring contract performance in accordance with [UAP 2015 \("Contract Monitoring"\)](#). The administrator who signed the contract or his or her designee will send a copy of the contract to the University Purchasing Department via email to [contract@unm.edu](mailto:contract@unm.edu) or to a departmental contract management system administrator approved by the Purchasing Department. The Purchasing Department or the departmental administrator will add the contract to the University-wide contract management system, which serves as a repository for all University contracts and provides information for contract tracking and monitoring.

## 6. Form Contracts

Form contracts that have been pre-approved by University Counsel's Office do not require review by a contract review officer prior to execution, provided that any blanks are filled in as per any instructions on the form, provided the language has not been altered, and there are no exhibits or addendums.

## 7. Compliance

No University employee may sign (execute) any contract purporting to be on behalf of the University, unless delegated signature authority to do so, pursuant to this policy. Any employee who violates this section may be subject to disciplinary action. No contract signed by a person without signature authority delegated by the Board of Regents or pursuant to this policy shall be binding on the University.

## 8. Exhibits

[Exhibit A](#) - Delegation of Signature Authority Form (To complete this form using MS Word click [here](#)).

[Exhibit B1](#) - Delegation of Signature Authority for Main Campus and Branches

[Exhibit B2](#) - Delegation of Signature Authority for Health Sciences Center

[Exhibit C](#) - Contract Review Form (To complete this form using MS Word [click here](#)).



## 9. Reference

NMSA 1978 § 14-16-5(b) ("Use of electronic records and electronic signatures; variation by agreement")

NMSA 1978 § 14-16-7 ("Legal recognition of electronic records, electronic signatures, and electronic contracts")

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