

## **Contractual Authority**

**Summary/Purpose:** Explains how contractual authority is delegated and recorded.

**Affected Individuals:** University employees.

The Chancellor of the University of Mississippi has been empowered by the Board of Trustees for the Institutions of Higher Learning to execute contracts on behalf of the University of Mississippi. No other employee of the University may execute a contract on behalf of the University unless that employee has been delegated contractual authority. The delegation of authority must be in writing and must be sufficient to encompass any contract that the employee executes.

The Chancellor shall delegate to the Provost and Vice Chancellors sufficient contractual authority for those individuals to perform the responsibilities of their offices. Any employee who has contractual authority may delegate a portion of that authority to another employee who reports to him or to her.

All delegations should specify the degree of authority delegated. A delegation of authority should specify a dollar amount beyond which the employee may not obligate the University and may also specify the type of contract that the employee may execute. Some delegations, such as a delegation to execute affiliation agreements for the placement of students, may not carry with them any financial authority. Delegations may be made to a position or to a specific person.

No individual who has been delegated contractual authority may execute a contract until completing training through the Office of General Counsel.

Delegations of authority shall be kept in an official online database. If a written delegation is removed from the database, it can be assumed that the delegation of authority has been withdrawn.

Authority to enter into contracts and agreements related to research, grants and sponsored programs is specifically reserved for the Vice Chancellor for Research and Sponsored Programs and his/her delegates. This delegation is without financial limitation.

Any contract that is signed by an employee who has not been delegated contractual authority may be declared void by the University. Third parties that are concerned about an employee's authority to bind the University contractually may ask to see the employee's delegation of contractual authority. Third parties are hereby on notice that individuals signing contracts on behalf of the University are signing only in their official capacity and, therefore, may not be personally liable for performance of the contracts.

Contracts executed by University employees should include the Mandatory Contract Addendum for University Contracts. If it is necessary to execute a contract without the

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addendum, the contract must be cleared by the Office of General Counsel or by the office of the appropriate vice chancellor.

IHL Policy 707.01 specifies which contracts require IHL approval. Contractual delegates should be familiar with this policy before signing any contracts.

Once executed, contracts should be uploaded to the official University of Mississippi Contract database.