

BLACK HILLS STATE UNIVERSITY
Policy and Procedures Manual

SUBJECT: Contract, Agreement, and Memorandum of Understanding Review and Approval
NUMBER: 5:6

Office: Business Office

Source: [SDBOR Policy 5:3](#)

1. Purpose

This policy and its procedures set forth the contract, agreement, and memorandum of understanding (MOU) review and approval protocols related to authorized contracts, agreements, and MOUs executed by delegated signatories at the University as required by and in conformity with South Dakota Board of Regents (SDBOR) Policy 5:3 Contracts and Agreements.

2. Policy

- a. The following contracts require Board of Regents approval per SDBOR Policy 5:3.
 1. Leases of real property (land and generally whatever is erected, growing upon or affixed in a permanent or semi-permanent manner to the land) involving acquisition or conveyance of interests lasting more than five years and exceeding \$50,000 per year. Removal of interest in property for subsequent periods requires Board approval.
 2. Equipment leases exceeding \$100,000 per year, excluding master lease agreements that have been executed by a designee in the Board office and have had legal counsel review.
 3. Joint powers agreements.
 4. Interstate agreements.

5. Affiliation agreements and other agreements that provide for joint sponsorship of educational programming for which credit shall be awarded.
 6. Contracts and agreements relating to the creation of off-campus instructional sites that are intended to operate for one academic year or more.
 7. Contracts that arise in connection with the issuance of revenue bonds.
 8. Contracts regarded by the institutional chief officer as having significant policy implications.
- b. The following contracts require Executive Director approval per SDBOR policy 5:3.
1. Any contract other than leases of real property (see section 2.a.1. above) having a term greater than five years and an annual cost exceeding \$50,000, or an annual cost of more than \$250,000 per year.
 2. Articulation agreements or other agreements that provide assurances that credits for academic work granted or certified by other institutions shall be accepted for transfer credit.
 3. Capital improvement contract documents.
 4. Contracts on behalf of the system.
 5. Contracts arising in connection with organizational entities administered by the executive director.
- c. All other contracts and agreements may be entered into by the University President, or designee, per SDBOR Policy 5:3.
- d. All contracts require the review and signature of the Vice President of Finance & Administration (VPFA) or designee to ensure all legal terms and conditions are consistent with all applicable law, policies, and procedures unless otherwise exempted.
- e. Contracts, agreements, and MOUs shall be signed only by those who have been delegated authority to do so in writing as submitted to the South Dakota Office of the State Auditor and will be filed by the Business Office each year.

- f. The Office of the Vice President for Finance & Administration shall maintain and make available documentation and information concerning delegations of contract, agreement, and MOU authority with the SD State Auditor and University departments.
- g. Activities contemplated by contracts, agreements, or MOUs may not begin until the fully executed document is obtained.

3. Procedures

- a. All contracts shall be submitted to the Business Office for review and determination of proper approvals as stated in the policies above.
- b. Board of Regents and Executive Director Contract Approval
 - 1. The VPFA, with the approval of the University President, shall submit the contract to the Board of Regents office for proper approvals as defined in SDBOR Policy 5:3.
- c. University Contract Approval
 - 1. Departments and colleges will initiate the contract, agreement, or MOU document. Standard university templates available on DocuSign and approved by legal counsel may be used as a base document to begin the process. The VPFA or designee will ensure the contract is in compliance with all applicable state, SDBOR, and University contract requirements.
 - 2. The contract shall be submitted to the VPFA for review of terms and conditions.
 - 3. If VPFA, or designee, determines that legal review is required, the contract, agreement, or MOU will be submitted to approved University contracted counsel, SDBOR General Counsel or both, as appropriate. Once the document and its terms and conditions have been approved, the initiating department or college shall submit the document via DocuSign and obtain signatures from the contractor and all other required departmental or college signatures. The document will then be submitted to the VPFA for final signature.

4. Documents requiring the University President's signature will be forwarded by the responsible Vice President to the University President for approval and, once executed by the University President, will be recorded and retained in accordance with applicable procedures.
 5. The department or college is responsible for ensuring the DocuSign routing includes copies of the executed contract to all appropriate parties. A fully executed document will be maintained in the department or college required to maintain the document. Upon execution, a copy, or if appropriate the original document, will be provided to the Office of the Vice President for Finance & Administration, or successor unit, for retention pursuant to record retention protocols and for compliance with SDBOR policy 5:3.
- d. Departments and colleges are encouraged to direct questions concerning terms and conditions and protocols as appropriate to the Office of the Vice President for Finance & Administration, or their designees, before obtaining any signatures or agreeing to any terms and conditions.

4. Responsible Administrator

The Vice President for Finance & Administration is responsible for bi-annual and ad hoc review of this policy and annual review of procedures and maintenance of documentation of delegations under this policy. The University President is responsible for delegations and final approval of modifications to this policy and its procedures.

SOURCE: Approved by President Laurie Nichols on 12/7/2021.