

**RESOLUTIONS OF THE BOARD OF GOVERNORS OF
MISSOURI SOUTHERN STATE UNIVERSITY**

[Adopted by the Board of Governors at a duly convened meeting on February 20, 2015]

WHEREAS, the Board of Governors (the “Board”) of Missouri Southern State University (the “University”) deems it advisable and in the best interests of the University to authorize the President and certain other officers of the University, on behalf of the University, to execute and deliver certain contracts and to approve certain expenditures and commitments of University resources, in accordance with University policies and procedures; and

WHEREAS, the Board desires to establish, approve, and implement policies and procedures with regard to the President’s and other officers’ authority to execute such contracts and to approve such expenditures and commitments (the “Policy”).

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the President and certain other officers of the University to enter into, execute, and deliver certain contracts and other documents and instruments for, in the name of, and on behalf of the University, and to delegate such authority to other individuals from time to time, in accordance with the Policy;

FURTHER RESOLVED, that the Board hereby authorizes the President and certain other officers of the University to approve certain expenditures and commitments of University resources for, in the name of, and on behalf of the University, and to delegate such authority to other individuals from time to time, in accordance with the Policy;

FURTHER RESOLVED, that the Board hereby authorizes and approves the Policy substantially in the form presented to the Board at this meeting, with changes as the Board deems necessary or advisable from time to time;

FURTHER RESOLVED, that the appropriate officers and authorized representatives of the University be, and they hereby are, authorized, empowered, and directed to enter into, execute, and deliver for, in the name of, and on behalf of the University, respectively, any and all instruments and documents and to do any and all acts and things which may be necessary or appropriate for the purpose of carrying out and effectuating the intent and purposes of the above resolutions; and

FURTHER RESOLVED, that any and all actions heretofore or hereafter taken by any officer or authorized representative of the University within the terms of the foregoing resolutions are hereby ratified, affirmed, and approved in all respects and for all purposes as the acts of the University.

MISSOURI SOUTHERN STATE UNIVERSITY

POLICY WITH REGARD TO AUTHORITY TO EXECUTE CONTRACTS AND APPROVE EXPENDITURES AND COMMITMENTS OF UNIVERSITY RESOURCES

I. Introduction

The Board of Governors (“Board”) of Missouri Southern State University (“University”) has granted the President and certain other officers of the University the authority to execute certain contracts and approve certain expenditures and commitments of University resources that have been approved by the Board as part of the University’s budget. The Board will fulfill its fiduciary duty by reviewing the proposed budget prior to annually adopting the same, assuring that internal and independent audits are performed annually, and reviewing the audit results. If any changes are thought necessary by the Board, the President will be so advised. The Board considers such contracts and expenditures entered into and approved by the President and such other designated officers consistent with the resolution of a majority of the voting members of the Board at a duly called meeting of the Board.

This procedure defines the general parameters for the approval of expenditures and commitments of University resources, and designates who, within the University, is authorized to sign contracts on behalf of the University, including procedures by which certain University contracts might be entered into.

II. University Real Property

A. The Board has not delegated its authority regarding the purchase or sale of University real property (all real property matters require Board approval) or the lease of real property for the University’s use when the lease is for a term longer than one year or the rental over the entire term exceeds \$250,000 regardless of the source of funding.

III. Purchase Authority

A. Expenditures up to \$100,000. The Board delegates to the President, the Executive Vice President, the Vice President for Business Affairs, the Vice President for Student Affairs and Enrollment Management, the Vice President for Academic Affairs and Provost, and the Director of Athletics, the ability to execute contracts and approve expenditures up to \$100,000 over the entire term of the expenditures, so long as the purchase will be budgeted within one fiscal year and the authorizing official has the funds, is satisfied with the terms and conditions, and is confident that the division has the ability to fulfill the obligations assumed. This authority may be delegated on these or more limited terms, in writing or by position description, to persons reporting directly to the President, the Executive Vice President, the Vice President for Business Affairs, the Vice President for Student Affairs and Enrollment Management, the Vice President for Academic Affairs and Provost, and the Director of Athletics.

All expenditures over \$25,000 and up to \$100,000 shall require dual authorization. Dual authorization shall consist of approval from (1) the Vice President for Business Affairs and (2) either the President, the Executive Vice President, the Vice President for Student Affairs and Enrollment Management, the Vice President for Academic Affairs and Provost, or the Director of Athletics, or their duly authorized designee. In situations where the Vice President for Business Affairs is not available to approve an expenditure, dual authorization may be obtained by substituting the President's approval for the Vice President for Business Affairs' approval as long as the President, or his/her duly authorized designee, is not serving as the second approval required for dual authorization.

B. Expenditures over \$100,000. Any expenditure over \$100,000 must be executed by the President, who will require a written rationale in support of the expenditure. Any expenditure over \$1,000,000 must be brought before the Board of Governor's Budget committee and, if approved, before the full Board of Governors. Before approving expenditures over \$100,000 or any other expenditure that has been delegated by the Board and exceeds the approval authority of the Executive Vice President, the Vice President for Business Affairs, the Vice President for Student Affairs and Enrollment Management, the Vice President for Academic Affairs and Provost, and the Director of Athletics, the President will require evidence that the proposed expenditure is a result of sound business judgment, is prudent, and University policies and procedures have been followed.

IV. University Contract Defined

For the purposes of this procedure, a "University contract" is defined as an agreement between two (2) or more parties, one of which is the University or any of its subunits, intended to have legal effect. There must be a common understanding among the parties as to the essential terms, there must be mutual obligations, and there must be "legal considerations," meaning that something of value is exchanged. The term "University contract," as defined in this procedure, does not include internal agreements between different units within the University.

Examples of University contracts include, but are not limited to: (1) agreements for the purchase or rental of goods or services; (2) nondisclosure agreements; (3) agreements that set terms for acceptance of gifts; (4) a sale, lease, or donation of University goods or services; (5) liability waivers; (6) settlement agreements; (7) licenses; (8) memoranda/letters of understanding or cooperation; (9) contracts with hotels, convention centers or other facilities which require a written agreement; (10) instructional agreements; (11) assignment of the right of a person, group, or agency to use the University's name, logo or resources; (12) construction contracts and related change orders; (13) grants, sponsored programs, proposals and awards; (14) externship agreements.

The above list is not all-inclusive. Some contracts may be oral; others must be written to be enforceable. An agreement may be a binding contract even though one party provides something of value to the other party at no charge. There must be a University interest at stake. While acting in the scope of your employment, if you are entering into an agreement which requires legal considerations or a commitment of University resources, it is best to presume that you are negotiating a "University contract."

V. Administrative Review

Persons wishing to enter into contract negotiations such as those described above, must begin with these Procedures to determine what initial actions need to be taken. Further, any additional policies and procedures regarding contract review and execution established by the University from time to time must be adhered to.

University contracts, prior to the execution thereof, shall be approved as to legal form and validity by the authorizing official(s). Questions regarding legal form and validity may be sent to the University's legal counsel for contract control purposes.

More specifically, the party 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 is in the best interests of the University;
- he/she can ensure compliance with the obligations it places on the University;
- the contract is sufficiently clear and consistent;
- the contract is signed by person(s) with authority;
- a conflict of interest does not exist; and
- funds have been allocated.

After being satisfied with the form and content of the contract, the party initiating the contract must review each contract to ensure that:

- it does not contain any clause that has been prohibited by the Attorney's General Office or other state agency;
- it is consistent with federal and/or state laws;
- it is consistent with the University's rules and regulations;
- risk management concerns have been reasonably addressed; and
- it is consistent with any predecessor documents.

VI. Authorizing Signatures

Authority for contract negotiations and signature approval should include persons in the department that have the responsibility for performance of any part of the agreement. As a general rule, only the President, the Executive Vice President, the Vice President for Business Affairs, the Vice President for Student Affairs and Enrollment Management, the Vice President for Academic Affairs and Provost, and the Director of Athletics have the authority to contract for the University. Delegation of authority by the Executive Vice President, the Vice President for Business Affairs, the Vice President for Student Affairs and Enrollment Management, the Vice President for Academic Affairs and Provost, or the Director of Athletics will be reviewed by the University President. Delegation of authority is required to be set out in position descriptions or in writing signed by the University President. Anyone else who enters into a contract that purports to bind the University or its subunits is acting without authority and could be held personally liable for the contract.

VII. Record Retention

The original of all fully executed contracts shall be retained by the University in accordance with relevant University policies for record retention.