

SUBJECT: Legal Review of Procurement Contracts	Effective Date: 9-24-24	Policy Number: 11.2	
	Supersedes: N/A	Page 1	Of 4
	Responsible Authority: Vice President, Legal Affairs & General Counsel		

I. APPLICABILITY/ACCOUNTABILITY:

This Policy is applicable to the legal review of University Procurement Contracts.

II. DEFINITIONS:

- A. Amendment: An alteration or addition made to the terms of an existing Contract.
- B. Business Terms: For purposes of this Policy, these are the terms of a Contract outlining the Goods and/or Services to be provided by the Supplier, including the term, pricing, the scope of work, deliverables, deadlines, quantities, personnel, etc.
- C. Contract: An agreement between two or more persons or entities that creates an obligation to do or not to do a particular thing. A Contract does not necessarily require the payment of money or other compensation, or a signature. A Contract shall mean to include a memorandum of understanding, a license, letter of agreement, quotes, statements of work, and any other binding obligations, regardless of their title or format.
- D. Goods and/or Services: Any of the various supplies, materials, goods, merchandise, food, equipment, or other real or personal property, including a vehicle, trailer, mobile home, or other portable structure, which are purchased, leased, lease-purchased or otherwise contracted for by the University. This includes the rendering by a Supplier of its time and effort, including artistic services, hotel/event services, consulting, performances, and other engagements. For purposes of this Policy, this also includes interest on deferred-payment contracts for the purchase of other commodities, the printing of publications and photocopying, and software and license agreements. For the purposes of this policy, the term Goods and/or Services shall not include labor or materials or selection of professional services for the construction, renovation, repair, study, or demolition of facilities which are managed by the University's Facility Management Department pursuant to Chapter 14 of the BOG Regulations and/or University Policy 4.2.7, and certain consulting agreements processed through the Division of Research.
- E. Procurement Contract: A Contract with a Supplier with the specific intention of purchasing or obtaining Goods and/or Services on behalf of the University, including the Renewal or Amendment of an existing Procurement Contract. A University Purchase Order not issued in

conjunction with a Procurement Contract does not constitute a Procurement Contract for the purposes of this Policy.

- F. Purchase Order: The written document sent to a Supplier formalizing the terms and conditions of a proposed transaction, which references and incorporates the University's Purchase Order Terms.
- G. Renewal: Contracting with the same Supplier for an additional period after the initial Contract term, under the same Contract.
- H. Supplemental Addendum: The University document outlining the University's terms and conditions and requiring the Supplier's signature. The Supplemental Addendum most appropriate for the Goods and/or Services should be attached to and incorporated into the Supplier's terms and conditions.
- I. Supplier: A person or firm who contracts to sell or provide Goods and/or Services to the University.

III. POLICY PURPOSE:

The purpose of this Policy is to provide a clear framework to the University community regarding the legal review of Procurement Contracts by the University's Office of the General Counsel ("OGC").

IV. POLICY STATEMENT:

- A. OGC Review Required. If (i) a Supplier accepts and signs, without modification, the appropriate University Supplemental Addendum or University template for a Procurement Contract, or (ii) a University signature on the Procurement Contract is not required and a University Purchase Order is used, without modification, OGC legal review and approval as to form and legal sufficiency shall not be required unless:
 - i. the Contract value is \$150,000.00 or greater;
 - ii. the Supplier does not accept, or is proposing modifications to, the University's Purchase Order Terms and Conditions, Supplemental Addenda, or templates, as appropriate;
 - iii. the Contract involves the use or licensing of the University's logos, trademarks, and/or intellectual property;
 - iv. the Contract involves the exchange of confidential or protected information, including, but not limited to, personally identifiable information, protected health information, student financial or education records, and/or other sensitive University information; or

- v. the President, Provost, a University Vice President, Associate or Assistant Vice President, Executive Director, Dean, or the Director of Procurement has requested that the Contract be reviewed by OGC, or if OGC elects to review the Procurement Contract.
- B. Previously Approved. If a Procurement Contract not listed within subsections A. i-v above had been approved by OGC within the last five (5) years, that original Procurement Contract (including the Supplemental Addendum) may be used again as the basis for a new Procurement Contract without legal review, provided the new Procurement Contract only modifies or supplements the Business Terms of the original Procurement Contract.
- C. Renewals/Amendments. Renewals and Amendments to previously approved Procurement Contracts not listed within subsections A. i-v above may be processed without legal review, provided the Renewal/Amendment only modifies or supplements the Business Terms of the original Procurement Contract. A Supplemental Addendum or University template are not required to be utilized with the Renewal/Amendment.
- D. Contracts Under \$25,000.00. If a Procurement Contract not listed within subsections A. i-v above requires a University signature, and has a total Contract value less than \$25,000.00, the Director of Procurement or OGC may waive the requirement for a Supplemental Addendum/University template and issue a University Purchase Order without further legal review.

V. PROCEDURES:

All Procurement Contracts requiring legal review under this Policy shall be sent to OGC for legal review. OGC will prioritize urgent/emergency purchases where appropriate.

VI. ADDITIONAL INFORMATION:

University templates for various contractual arrangements and assorted Supplemental Addenda are made available to the University on the OGC website at <https://www.fau.edu/generalcounsel>, as it may be updated.

INITIATING AUTHORITY: Vice President, Legal Affairs & General Counsel

RELATED INFORMATION: [BOG Regulation 18.001 \(Procurement Regulation\)](#); [FAU Regulation 6.002 \(Approval and Execution of Contracts\)](#); [FAU Regulation 6.008 \(Procurement\)](#); [FAU Policy 11.1 \(Signature Authority\)](#); [FAU Purchasing Manual](#);



POLICY APPROVAL
(For use by the Office of the President)

Policy Number: 11.2

Initiating Authority

Signature: _____ Date: _____
Name: _____

*Policies and Procedures
Review Committee Chair*

Signature: _____ Date: _____
Name: _____

President

Signature: _____ Date: _____
Name: _____

Executed signature pages are available in the Office of Compliance