



TITLE

Delegation of Authority for Executing and Approving Contracts Policy

PURPOSE

The purpose of the Delegation of Authority (DOA) policy is to establish delegations of authority granted to the President of Rhode Island School of Design ("RISD" or "the institution") by the Board of Trustees pursuant to which specific delegations are granted to others to act on the President's behalf. This policy will define the responsibilities associated with these delegations. It is intended to clearly document the authority to obligate the institution and establishes responsibility and accountability of those so designated to establish and maintain such policies and procedures as necessary and appropriate to properly carry out for their delegation roles.

SCOPE

For the purpose of this policy, "institution" refers to RISD and its divisions, subsidiaries and affiliates. All institution trustees, officers, faculty, professional staff, students and independent contractors are subject to this policy.

DEFINITIONS – Please refer to Appendix A

POLICY

1. The President and the Senior Vice President of Finance and Administration/Treasurer ("SVP/Treasurer") of RISD are given specific authority to obligate the institution, including the execution of contracts, subject to and consistent with Applicable Authority in accordance with the authority delegated as set forth pursuant to Article VI, Section 6.1, of the Board of Trustees Bylaws. Under the foregoing authority, the President further delegates the rights and responsibilities associated with this authority to certain officers as specifically identified in this policy, subject to and consistent with Applicable Authority.
2. President Authority and Delegation - In accordance with the authority delegated as set forth pursuant to Article VI, Section 6.2, of the Board of Trustees Bylaws the President and the SVP/Treasurer are authorized to delegate authority to legally bind the institution on matters not otherwise reserved to the Board of Trustees.
3. Any individual serving in a position designated as a Contracting Authority in accordance with this policy shall have full authority to legally bind the institution and, in limited circumstances

subject to the approval of the SVP/Treasurer, to designate another individual within their immediate supervision to legally bind the institution on the contracting authorities' behalf in his or her absence.

4. Each officer who is given authority to obligate the institution and execute relevant contracts is responsible for documenting any further DOA granted to a leader of a unit under their authority at the level of Dean, Vice Provost or Vice President or above, and to any other institution official with the approval of the SVP/Treasurer.
5. The RISD officials designated by this policy are authorized to execute contracts and other written instruments on behalf of the institution. Any contract executed by a person not authorized to do so by this policy is not binding on the institution.

PROCEDURES

Contract Review and Approval — Except as set forth in this policy, the following requirements apply to all institution contracts:

- A. Preliminary Review by Contract Originator — The RISD official initiating a contract ("contract originator") is responsible for negotiating all substantive terms of a contract. Prior to submitting for signature by a contracting authority, the contract originator must confirm that:
 - a. The contract clearly, accurately and sufficiently reflects the negotiated terms;
 - b. is aligned with the institution's programmatic and strategic mission;
 - c. will not generate any institutional conflicts of interest;
 - d. will not have negative, long-term consequences;
 - e. does not include a provision for the assumption of sales tax by the institution;
 - f. that the use of RISD's name, logo or other marks by the contracting authority are subject to the express approval of RISD that legal liability and assumption of risk provisions are favorable to RISD
 - g. that sufficient insurance is secured and maintained by the contracting authority;
 - h. that sufficient funds will be available to meet the obligations of the contract, if applicable.
 - i. reviewed and approved by Procurement Services if applicable per Procurement Procedures.
- B. General Counsel Review — Unless a contract is in a standard template previously approved by the Office of the General Counsel, or is required to be approved by the Office of Procurement as per Procurement guidelines, all contracts must be submitted to the Office of the General Counsel for review as to legal form and sufficiency. The following template contracts or similar template approved contract templates maintained on the Office of the General Counsel website do not require additional review through the General Counsel unless modified with terms other than detailing the scope of performance:
 - i. Independent Contractor Agreement
 - ii. Agreement for Professional Services
 - iii. Exhibition Loan Agreement
 - iv. Entertainment — Performance Agreement
 - v. Speaker Agreement
 - vi. Non-Disclosure Agreement
 - vii. Image Release Agreement
 - viii. Facility Use Agreement
 - ix. Forms Approved by Procurement Services

- C. Business Office Review — All contracts with monetary value in excess of \$25,000 must be submitted to the SVP/Treasurer for review to assure availability of funds, to avoid conflict with any debt covenants, and to assure consistency with institution financial controls and restrictions.
- D. Information Technology — All contracts impacting institution technology resources (including software licenses, hosted solutions, providing or allowing access to institution systems/network or data, or allowing access of institution data to external sources) must be reviewed in advance by the Chief Information Officer, or a designee, to ensure adequate security and conformance with RISD's IT standards.
- E. Marketing and Communications — All contracts for marketing services and all contracts involving the use of RISD's name, logo, marks or images require the review and approval of the Chief Marketing + Communications Officer. Marketing services are defined as any creative service that promotes RISD, its people and/or its activities, and such services include visual design, web development, email marketing, advertising, photography, video production and writing/editing.
- F. Final Process — After all appropriate reviews have been approved and documented, and the contract has been signed by the contracting authority and authorized third party, an electronic copy of the contract must be placed in the designated Institution contracts depository system or retained in a searchable system by the offices.
- G. Contract Retention — Contracts will be retained for the retention period established in the institution's Document Retention and Records Management Policy.
- H. Contract Administration — The contracting authority is responsible for monitoring compliance with the parties' obligations as set forth in the contract. Failure to properly monitor a contract may expose RISD to financial loss, legal action and potential claims of breach or default.

Employees executing contracts and other written instruments on behalf of the institution are responsible for assuring that they have authority to act on behalf of the institution and that such authority is exercised in compliance with applicable conditions, restrictions and guidelines.

Contracts with potential for significant impact on the institution's mission or which will potentially violate the institution's compliance with existing debt covenants or agreements with financial institutions, must be approved by the SVP/Treasurer.
- I. Utilities — Notwithstanding the thresholds above, the SVP/Treasurer is the contracting authority for all contracts for utility services without regard to value.
- J. Real Property — With the exception of contracts for sale of institution real property which must be negotiated and approved by the Board of Trustees, all other contracts impacting institution real property including easements, leases, and licenses but not including agreements for short-term use of institution facilities, must be approved by the SVP/Treasurer.
- K. Grant or Gift Contracts — All grants or gift agreements shall be signed subject to the contracting authority designated above with notice of all grant applications provided in advance to the ~~Institution~~ Provost for academic/research grants and to the Vice-President for Institutional Advancement for all other grants.
- L. Student Financial Assistance — All contracts related to Student Financial Assistance shall be approved by the Vice President of Enrollment Management and Student Affairs with the exception of the Title IV Program Participation Agreement which shall be signed by the President or the SVP/Treasurer.
- M. Academic Agreements — Subject to the contract thresholds set forth above, the Provost is recognized as a contracting authority for (a) all intellectual property agreements with faculty

including nondisclosure agreements, (b) student or faculty exchange agreements, (c) agreements related to the operation or collection of the library. Within the levels of contracting authority set forth above, the ~~Institution~~ Provost may delegate authority to Deans to be delegated authority as contracting authorities in matters of academic agreements.

- N. Securities and Deposits — The SVP/Treasurer shall have special authority to buy, sell, assign and transfer securities and to deposit or withdraw funds and to designate depositories between institution-owned accounts without President or trustee instruction. Transfer of assets to accounts outside control of the institution requires approval of the SVP/Treasurer.
- O. Purchase Orders/Request for Proposal/Request for Qualification — The Director of Procurement Services or such other institution official as designated in writing by the SVP/Treasurer shall have authority to sign purchase orders in an amount up to the amount included in this policy for the purchase of office supplies, including office technology, travel accommodation, including airfare and hotel banquet or conference arrangements including food and host locations. All Contracts for goods and services, Request for Proposals and Request for Qualifications must go through Procurement Services. Contracts generated through this process must be in accordance with procedures established by the Office of Procurement Services.
- P. Internal Revenue Service Forms — The SVP/Treasurer is designated as the official who signs all forms for IRS and other taxing authorities on behalf of RISD.

SPECIFIC DOA -- The President and the SVP/Treasurer grant DOA to officers for the specific types of contracts identified in the Contract Matrix, and others not specifically enumerated that clearly fall within the respective academic or administrative unit, consistent with this policy.

REVISION HISTORY

This policy was approved by the Cabinet as of April 19, 2022

Next Scheduled Review: annually or as required by law

RESPONSIBILITIES

Issuing Office:

Finance

Responsible Officer:

Senior Vice President of Finance and Administration/Treasurer

Individuals/offices required for review and changes:

Senior Vice President of Finance and Administration/Treasurer

Office of the General Counsel