



To: Chancellor's Cabinet

CC: Philip G. Rogers, Chancellor

From: Paul H. Zigas, General Counsel and Vice Chancellor for Legal Affairs

Date: July 11, 2022 (Revised 7.19.2022; 7.20.2022)

Re: Updated University Contract Processes

On March 27, 2020 and in response to the Covid-19 pandemic, Interim Chancellor Mitchelson issued directives with respect to University contract processes. At Interim Chancellor Mitchelson's request, the Office of University Counsel ("OUC") issued memoranda providing additional direction and procedures to effectuate the implementation of the Interim Chancellor's directives, with the most recent memorandum being issued on June 15, 2020. After consultation with and approval from Chancellor Rogers, this memorandum updates the University's contract procedures.

All delegations of the Chancellor's signature authority are contingent on adherence to the procedures outlined in this memorandum, and it is incumbent upon each person with delegated signature authority to ensure that each contract has been reviewed and approved in accordance with this process. I am continuing my directive to the attorneys in OUC not to review any contract or appointment letter without adhering to the policies outlined in this memorandum.

Finally, the OUC is in the process of implementing software to assist with this process, and this memorandum will be updated when that software is available.

The following procedures govern the University's contract processes and the exercise of contract signature authority. These procedures are in addition to and do not supplant other University policies and procedures (e.g., approvals for certain human resources actions, budget/funding approvals).

1. Contracts must be reviewed by OUC and approved by the Vice Chancellor of Administration and Finance as indicated on the following chart:

Required OUC Review and VCAF Approval	Optional OUC Review
All contracts with a Vidant or Vidant legacy entity (e.g., ECU Health Medical Center) ¹	Contracts valued at less than \$250,000 (except for contracts with a Vidant entity)
Regardless of contract value, employment agreements, coach contracts, and appointment letters using modified templates or templates not approved by OUC within one year prior to the contract date ²	Regardless of contract value, employment agreements, coach contracts and appointment letters using, without modification, a template approved by OUC within one year prior to contract date
All contracts valued at \$250,000 or more, except: (i) contracts for grants, sponsored research, awards, and clinical trials in which ECU is receiving funds (and sub-awards of those funds using pre-approved contract templates), (ii) construction contracts for less than \$1 million on state-approved templates, and (iii) contracts for less than \$1 million that are processed through Materials Management.	<p>Contracts for grants, sponsored research, awards and clinical trials in which ECU is receiving funds</p> <p>Construction Contracts for less than \$1 million on state-approved templates</p> <p>Contracts less than \$1 million processed through Materials Management</p>

2. The department or business unit requesting either required or optional OUC review shall complete a contract cover sheet attached hereto as Exhibit A—Contract Cover Sheet. This cover sheet will be available on the OUC website and may be modified from time to time. The most current version of the cover sheet posted on the OUC website should be used.
3. The most senior administrator responsible for the business or operational decision related to the arrangement (i.e., Athletic Director, Dean or Executive Dean of Brody School of Medicine, Provost, or Vice Chancellor) must approve the concept and general terms of the arrangement prior to submitting the agreement for review and approval. The senior administrator’s approval of concept must be noted on the cover sheet.
4. Once the senior administrator has approved, the department shall send the cover sheet, contract, all previous versions of the contract and any amendments to ecucontractreview@ecu.edu.
5. If the transaction meets the criteria for required review and approval, the Office of University Counsel will share the cover sheet and accompanying documents with the Vice Chancellor for

¹ Except (1) grants from Vidant Health Foundation, and (2) clinical trial work orders pursuant to a master agreement.

² Employment agreements, coach contracts, and appointment letters must also go through all other appropriate human resources and business processes for approval and administration.

Administration and Finance for review and approval. If approval is declined, the department will be so informed, along with any available rationale for the declination.

6. OUC will review the contract for legal sufficiency and make other recommendations to the department and other stakeholders concerning the terms of the contract. In most cases, the department will facilitate negotiation with the third party.
7. If material recommendations from OUC are not incorporated into the contract, OUC will so advise the signature authority and may, in its discretion, also advise the Vice Chancellor of Finance and Administration.
8. Once the Office of University Counsel has advised on the legal sufficiency of the contract and the Vice Chancellor for Administration and Finance has given approval (if required), and the contract is in final form, the individual at the institution delegated the signature authority from the Chancellor may execute, in accordance with the department's or division's standard contract or hiring processes.