WESTMINSTER COLLEGE
Spending and Contracting Authority Policy

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<tr>
<th>POLICY TITLE</th>
<th>Spending and Contracting Authority Policy and Related Procedures</th>
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<tbody>
<tr>
<td>No. 201</td>
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<td>Effective Date</td>
<td>May 5, 2017</td>
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1. STATEMENT OF POLICY

Westminster College, through faculty, staff, students, and student organizations, enters into hundreds of contractual agreements each year with third parties that involve a wide array of activities, including services, consulting, maintenance, supplies, performances, facilities use, construction, research, and publications, among others. In the past, some of these have been oral agreements; others have taken a variety of written forms including emails, letters, and more formal documents. This policy is intended to provide guidance to the College community on the need for written agreements, as well as the signature authority, review process, and recordkeeping for all contractual agreements with third parties involving College resources. The goal of this policy is to promote good business practices, see that all contractual agreements meet the College’s legal compliance requirements, and avoid unintended contractual obligations not in the best interests of the College.
2. TO WHOM THIS POLICY APPLIES

This policy applies to all College faculty, staff, students, and student organizations who enter into any type of agreement (whether previously oral or written) that obligates the College to provide payment, services, goods, or use of College property, facilities, or other resources to a third party. Contractual agreements governed by this policy include, but are not limited to, leases, purchase orders, design/engineering/construction contracts, employment agreements, service and consulting agreements, grants, revenue contracts, affiliation agreements, purchase cards (hereafter identified as "contracts"), and contracts that obligate College funds to pay for other services, such as speakers, bands, research projects, office supplies, professional membership dues, travel, entertainment, books, computer supplies, etc., including circumstances where the agreements are for the benefit of a student organization, faculty member, or academic department.

3. SPENDING AND CONTRACTING AUTHORITY

A. Authority Reserved to the Board of Trustees

1. The College’s bylaws reserve to the Board of Trustees the authority to approve in advance any contract authorizing the sale, lease, exchange, mortgage, or pledge of all or substantially all of the property or assets of the College regardless of location and value.
2. The College’s bylaws reserve to the Board of Trustees the authority to select and terminate the appointment of the President of the College.

B. Presidential Authority

1. The President is authorized and empowered to act for and on behalf of the College in connection with and arising and incident to the College as follows:
   a. To endorse, transfer, certify, sign, assign, negotiate and sell, or buy and liquidate stock, bonds, and notes for the purpose of transferring the proceeds to the College's endowment fund, capital campaign fund, or annual operating budget.
   b. To sign, execute, certify, and approve all applicable State of Utah and Federal Government contracts, and reports.
   c. To sign, execute, certify, and approve State and Federal tax returns, and letters of representation for the College auditors.
   d. To sign payroll, accounts payable, dorm revenue, and repair and maintenance checks.
   e. To sign, execute, certify, and approve contracts related to College employee benefits, i.e. insurance and retirement programs.
   f. To sign, execute, certify, and approve contracts related to current and deferred planned giving contracts.
2. The President is authorized and empowered to act for and on behalf of the College within the parameters set by the approved budget of the College; and outside of the budget in an amount not to exceed five hundred thousand dollars ($500,000) in connection with and arising and incident to the College as follows:
   a. To sign, execute, certify, and approve contracts and agreements with vendors, suppliers and/or materialmen, including but not limited to:
      i. Lease Agreements for automobiles, copy machines, and computer equipment.
      ii. Maintenance contracts for computers, automobiles, typewriters, and printers.
      iii. Tax exempt certificates with utilities.
   b. To borrow, sell, purchase, hypothecate, or pledge any real or personal property.
   c. To sign, execute, certify, and approve College personnel contracts, increases in compensation, and changes in job descriptions.
   d. To sign, execute, certify, and approve authorization cards for bank accounts in the name of the College.

C. Provost Authority

1. The Provost is authorized and empowered to act for and on behalf of the College in connection with and arising and incident to the College as follows:
   a. To endorse, transfer, certify, sign, assign, negotiate and sell, or buy and liquidate stock, bonds, and notes for the purpose of transferring the proceeds to the College's endowment fund, capital campaign fund, or annual operating budget.
   b. To sign, execute, certify, and approve all applicable State of Utah and Federal Government contracts, and reports.
   c. To sign, execute, certify, and approve State and Federal tax returns, and letters of representation for the College auditors.
   d. To sign payroll, accounts payable, dorm revenue, and repair and maintenance checks.
   e. To sign, execute, certify, and approve contracts related to College employee benefits, i.e. insurance and retirement programs.
   f. To sign, execute, certify, and approve current and deferred planned giving contracts.

2. The Provost is authorized and empowered to act for and on behalf of the College within the parameters set by the approved budget of the College; and outside of the budget in an amount not to exceed one hundred thousand dollars ($100,000) in connection with and arising and incident to the College as follows:
   a. To sign, execute, certify, and approve contracts and agreements with vendors, suppliers and/or materialmen, including but not limited to:
      i. Lease Agreements for automobiles, copy machines, and computer equipment.
      ii. Maintenance contracts for computers, automobiles, typewriters, and printers.
      iii. Tax exempt certificates with utilities.
iv. Purchase orders and check requests.
b. To borrow, sell, purchase, hypothecate, or pledge any real or personal property.
c. To sign, execute, certify, and approve College personnel contracts, increases in compensation, and changes in job descriptions.
d. To sign, execute, certify, and approve authorization cards for bank accounts in the name of the College.

D. Vice President of Finance and Administration and Treasurer Authority

1. The Vice President of Finance and Administration and Treasurer is authorized and empowered to act for and on behalf of the College in connection with and arising and incident to the College as follows:
   a. To endorse, transfer, certify, sign, assign, negotiate and sell, or buy and liquidate stock, bonds, and notes for the purpose of transferring the proceeds to the College's endowment fund, capital campaign fund, or annual operating budget.
   b. To sign, execute, certify, and approve all applicable State of Utah and Federal Government contracts, and reports.
   c. To sign, execute, certify, and approve State and Federal tax returns, and letters of representation for the College auditors.
   d. To sign payroll, accounts payable, dorm revenue, and repair and maintenance checks.
   e. To sign, execute, certify, and approve contracts related to College employee benefits, i.e. insurance and retirement programs.
   f. To sign, execute, certify and approve current and deferred planned giving contracts.

2. The Vice President of Finance and Administration and Treasurer is authorized and empowered to act for and on behalf of the College within the parameters set by the approved budget of the College; and outside of the budget in an amount not to exceed five hundred thousand dollars ($500,000) in connection with and arising and incident to the College as follows:
   a. To sign, execute, certify, and approve contracts and agreements with vendors, suppliers and/or materialmen, including but not limited to:
      i. Lease Agreements for automobiles, copy machines, and computer equipment.
      ii. Maintenance contracts for computers, automobiles, typewriters, and printers.
      iii. Tax exempt certificates with utilities.
      iv. Purchase orders and check requests.
   b. To borrow, sell, purchase, hypothecate, or pledge any real or personal property.
   c. To sign, execute, certify, and approve College personnel contracts, increases in compensation, and changes in job descriptions.
   d. To sign, execute, certify, and approve authorization cards for bank accounts in the name of the College.
E. Managing Director of Financial Affairs Authority

1. The Managing Director of Financial Affairs is authorized and empowered to act for and on behalf of the College in connection with and arising and incident to the College as follows:
   a. To endorse, transfer, certify, sign, assign, negotiate and sell, or buy and liquidate stock, bonds, and notes for the purpose of transferring the proceeds to the College's endowment fund, capital campaign fund, or annual operating budget.
   b. To sign, execute, certify, and approve all applicable State of Utah and Federal Government contracts, and reports.
   c. To sign, execute, certify, and approve State and Federal tax returns, and letters of representation for the College auditors.
   d. To sign payroll, accounts payable, dorm revenue, and repair and maintenance checks.
   e. To sign, execute, certify, and approve contracts related to College employee benefits, i.e. insurance and retirement programs.
   f. To sign, execute, certify, and approve current and deferred planned giving contracts.

2. The Managing Director of Financial Affairs is authorized and empowered to act for and on behalf of the College within the parameters set by the approved budget of the College; and outside of the budget in an amount not to exceed one hundred thousand dollars ($100,000) in connection with and arising and incident to the College as follows:
   a. To sign, execute, certify, and approve contracts and agreements with vendors, suppliers and/or materialmen, including but not limited to:
      i. Lease Agreements for automobiles, copy machines, and computer equipment.
      ii. Maintenance contracts for computers, automobiles, typewriters, and printers.
      iii. Tax exempt certificates with utilities.
      iv. Purchase orders and check requests.
   b. To borrow, sell, purchase, hypothecate, or pledge any real or personal property.
   c. To sign, execute, certify and approve College personnel contracts, increases in compensation, and changes in job descriptions.
   d. To sign, execute, certify and approve authorization cards for bank accounts in the name of the College.

F. Director of Accounting Services Authority

1. The Director of Accounting Services is authorized and empowered to act for and on behalf of the College within the parameters set by the approved budget of the College; and outside of the budget in an amount not to exceed one hundred thousand dollars ($100,000) in connection with and arising and incident to the College as follows:
   a. To sign purchase orders and check requests.
b. To sign payroll, accounts payable, dorm revenue, and repair and maintenance checks.
c. To sign, execute, certify, and approve State and Federal payroll tax returns, and letters of representation for the College auditors.
d. To sign, execute, certify, and approve authorization cards for bank accounts in the name of the College.

G. Managing Director of Plant & Facilities Authority

1. The Managing Director of Plant & Facilities is authorized and empowered to act for and on behalf of the College in connection with, and arising and incident to the College in an amount not to exceed fifty thousand dollars ($50,000) to sign purchase orders.

H. Executive Director of Human Resources Authority

1. The Executive Director of Human Resources is authorized and empowered to act for and on behalf of the College in connection with and arising and incident to the College as follows:
   a. To sign, execute, certify and approve contracts related to College employee benefits, i.e. insurance and retirement programs.
   b. To sign, execute, certify and approve employment related contracts and agreements, including offers of employment and independent contract agreements.

I. Delegation of Contracting Authority

Delegations of contracting authority are prohibited, except where specifically authorized in this policy. The President must approve all delegations of contracting authority; delegations must be made in writing and indicate spending authority. The delegating official retains ultimate responsibility for delegated matters.

An individual who has not received a written delegation of authority to sign contracts should not sign agreements that purport to bind the College, and may be held personally responsible if they attempt to do so. The College retains the authority not to recognize an agreement as binding against the College unless all signatories to the agreement have proper contracting authority as of the date the contract was entered.

J. Conflict of Interest

Individuals with contract authority must exercise that authority in a manner consistent with the College's Conflict of Interest Policy.
4. SPENDING AND CONTRACTING PROCEDURES

A. Written Contracts

All contracts with third parties involving College resources should be in writing, regardless of prior practice or prior business relationships with the person or entity.

B. Advance Review by Supporting Department(s)

All contracts should be reviewed and approved in advance by other departments that will need to provide technical support, facilities, or personnel to carry out the contract. For example, a software contract should be reviewed by IS to determine whether the College can support the software.

C. Advance Review by Academic Deans and Chief Academic Officer / Provost

All contracts that involve, relate, or refer to a faculty member or academic department should be reviewed and approved by the relevant academic dean before submission to the Chief Academic Officer/Provost for signature.

D. Advance Review by Office of General Counsel

1. All contracts obligating the College to pay more than $10,000, and all contracts involving unique risks and liability to the College (regardless of the monetary amount of the contract) should be reviewed and approved by the Office of General Counsel before submission to the authorized contracting officer for signature.

2. Departments may develop a standard form contract or letter agreement for particular types of transactions, particular vendors, etc. for approval by the Office of General Counsel. The Office of General Counsel will work with departments to develop such standard forms. If approved, the department may use such form agreements without individual review by the Office of General Counsel, so long as it is used for the particular type of transaction and/or vendor for which its use has been approved. The Department should submit the standard form to the Office of General Counsel for review every three years to promote continuing conformity with legal requirements.

3. The Office of General Counsel is developing approved templates for certain types of contracts commonly used (e.g., Release and Indemnity Agreements) and will post those templates on the counsel website. Departments may use those templates without further review by the Office of General Counsel, as long as the template indicates it has been approved for use in the current academic year and the template form remains unchanged (except for filling-in blanks, where applicable).
5. RECORDKEEPING

When a contract has been executed, the College office/department that arranged for the contract (including leases and purchase orders) is responsible for:

A. Promptly providing the original, fully-executed (i.e. signed by all parties) contract to the Purchasing Office (for purposes of recordkeeping, audit reporting, and execution of disbursements).

B. Keeping a copy of the fully-executed contract, including all attachments.

C. Providing an electronic copy of fully executed contracts requiring general counsel approval to the Office of General Counsel.

6. VISA PURCHASE CARD SPENDING AND CONTRACTING AUTHORITY

The Vice-President of Finance and Administration and Treasurer has delegated authority to certain individuals to use Visa purchase cards (P-card) for authorized work related purposes. Authorized P-card users are required to sign the Westminster College Visa Card Cardholder User Agreement and must agree to abide by the Visa Credit Card Policy and Procedures Manual (May 1, 2009) (as may be amended). In addition to the policy stating the type of products a P-card holder can buy, other controls and limits are placed on cardholders including a monthly dollar limit, a per transaction dollar limit, and blocked merchant categories. P-card holders should contact the Visa Card Administrator for individual restrictions.

7. RELATED POLICIES

- Board of Trustees Bylaws Section 2.6.1
- Corporate Resolution 8.2 November 2016
- Conflict of Interest Policy
- Visa Credit Card Policy and Procedures Manual (May 1, 2009)

8. HISTORY

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<th>Date of Last Action</th>
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<th>Authorizing Entity</th>
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<tr>
<td>April 4, 2017</td>
<td>Interim Policy Adopted</td>
<td>Policy Governance Committee</td>
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<tr>
<td>May 5, 2017</td>
<td>Policy Adopted</td>
<td>Policy Governance Committee</td>
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9. SIGNATURE, TITLE, AND DATE OF APPROVAL

Approved: /s/ __________________________________

                             Stephen R. Morgan, President