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</tbody>
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## DEFINITIONS

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contract</strong></td>
<td>An agreement between two or more parties governed by a written document.</td>
</tr>
<tr>
<td><strong>Goods</strong></td>
<td>Products or commodities used in everyday business activities.</td>
</tr>
<tr>
<td><strong>Independent Contractor</strong></td>
<td>Individual or supplier that provides a service for a specific amount of time.</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td>Aid or helpful activity performed by a person or company provided under contract by an entity not affiliated with the University.</td>
</tr>
<tr>
<td><strong>Signature Authority</strong></td>
<td>Only the Chancellor and those delegated by the Chancellor have Signature Authority to execute contracts that legally bind the University to an outside party.</td>
</tr>
<tr>
<td><strong>Sole Source</strong></td>
<td>Any contract entered into without a competitive process, based on a justification that only one known source exists or that only one single supplier can fulfill the requirements.</td>
</tr>
<tr>
<td><strong>Standard University Agreements</strong></td>
<td>The Office of General Counsel (OGC) has drafted a set of Standard University Agreements that can be used for: procurement of goods or services, allowing others to use University facilities, University personnel providing services for groups or individuals not related to the University, and others.</td>
</tr>
</tbody>
</table>
CHAPTER 1: Introduction

A contract is any document that legally binds the University to another party. Contracts can take many forms, including affiliation agreements, memoranda of understanding (MOUs), terms and conditions (T&Cs), letters of agreement, online click-through agreements, and a variety of other labels. Not all contracts involve the payment of money.

Roles and Responsibilities

Department

> Upload contract and all necessary documents into Procurement Contract Portal.
> Be available for follow-up questions, when needed.
> Understand the scope of the contract.
> Ensure that all contractual obligations are met and that contract monitoring is documented by utilizing the Contract Monitoring Checklist.
> Make sure that deliverables and milestones are met in a timely manner.
> Know when your contract expires and when they may need to be renewed or extended.
> Make sure that you note, in writing, of any deficiencies or problems in the performance of the contract.
> If needing to terminate an agreement due to lack of performance or breach of contract on behalf of the contractor, notify Contract Review Services immediately.

Procurement Services Team

> Review contract and supporting documentation for compliance with State and University guidelines including:
  > Acceleration of Payment
  > Arbitration
  > Assignment of Rights
  > Exercising Control over Litigation
  > Governing Law
  > Indemnity; Hold Harmless; Assumption of Liability
  > Limitation of Liability
  > Liquidated Damages
  > Material Breach; Irreparable Harm
  > Statute of Limitations
  > Non-Compete Clause
> Prepare the contract for signature processing by routing to the appropriate University administrator.
> Provide Support for administration of contracts.
**Other University Offices**
As a State agency, NC State University is subject to certain legal requirements and restrictions that affect its ability to accept certain contract terms. Therefore, the review and execution of all university agreements **MUST** follow the appropriate university procedure as administered by these offices:

<table>
<thead>
<tr>
<th>CONTRACT CATEGORY</th>
<th>RESPONSIBLE FOR REVIEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods Purchased</td>
<td>Contract Review Services</td>
</tr>
<tr>
<td>Services Rendered</td>
<td>Contract Review Services</td>
</tr>
<tr>
<td>Confidentiality Agreement</td>
<td>Contract Review Services or Office of Technology Commercialization and New Ventures (OTCNV)</td>
</tr>
<tr>
<td>Testing Agreements</td>
<td>Sponsored Research &amp; Regulatory Compliance Services (SPARCS)</td>
</tr>
<tr>
<td>Research or Sponsored Programs</td>
<td>Sponsored Research &amp; Regulatory Compliance Services (SPARCS)</td>
</tr>
<tr>
<td>Conflicts of Interest</td>
<td>Office of Technology Commercialization and New Ventures (OTCNV)</td>
</tr>
<tr>
<td>Real Property (Lease or Purchase)</td>
<td>Real Estate</td>
</tr>
<tr>
<td>Employment Contracts</td>
<td>Human Resources</td>
</tr>
<tr>
<td>Academic (student focused)</td>
<td>Provost Office</td>
</tr>
</tbody>
</table>
**Signature Authority**

Only the Chancellor and those delegated by the Chancellor have the authority to execute contracts for the University. Anyone else executing a contract that purports to bind the University or its subunits is acting without authority and could be held personally liable for the breach of the contract or for the full value of the contract.

The [Delegation of Signature Authority chart](#) summarizes the signature delegations for all categories of University agreements, including sponsored programs, extension services, and design/construction.

For general business agreements (goods purchased and services rendered), the Chancellor delegated the signature authority to:

<table>
<thead>
<tr>
<th>POSITION</th>
<th>DELEGATED AUTHORITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Director of Procurement &amp; Business Services</td>
<td>Up to $5,000</td>
</tr>
<tr>
<td>Director of Procurement &amp; Business Services</td>
<td>Up to $50,000</td>
</tr>
<tr>
<td>Associate Vice Chancellor of Finance &amp; Administration</td>
<td>Up to $250,000</td>
</tr>
<tr>
<td>Vice Chancellor of Finance &amp; Administration</td>
<td>Over $250,000</td>
</tr>
</tbody>
</table>

Only the CHANCELLOR and those delegated by the Chancellor have the AUTHORITY to execute contracts that legally bind the University to an outside party.
Standard University Agreements/Contracts

The Standard University Agreements/Contracts have been designed to simplify the contracting process by providing secure PDF fillable contract forms.

The Office of General Counsel (OGC) has drafted a set of Standard University Agreements that can be used for:

1. Procurement of goods or services.
2. Allowing others to use University facilities.
3. University personnel providing services for groups or individuals not related to the University.

Available agreements include:

- Academic
- Athletics
- Extension
- Equipment
- Facilities Use
- General Business
- Independent Contractor
- Research

These agreements cannot be modified without the prior approval from the Office of General Counsel or from Contract Review Services.

Select this link to access the Standard University Agreements/Contracts Library.

Questions?
Contact Contract Review Services at purcontracts@ncsu.edu
CHAPTER 2: Preparing for a Contract Submission

1. Gather Contract Details

Before submitting a contract request for review, be sure you know/have the following information handy:

> Contract Type

> Contract Value

> Project ID
  *Required for all expense contracts.*

> Supplier/Vendor ID
  *Required for all expense contracts.*
  
  [Click on this link to learn how to add a supplier to the Financial System.]

> Supplier Contact Name and Email
  *This information will be used to contact the supplier for questions and to route DocuSign for external signature.*

> Contract Document, including Scope of Services
  *If appropriate. The preferred format is MS Word or University template.*

> Waiver of Competitive Bidding Memorandum
  *Under certain conditions, if approved by Procurement Services, certain goods and services may be purchased without competitive bidding. A memo provided by the requester must be based on one of the reasons listed on the Procurement Services Website. Required for services above $5,000.*
  
  [Click on this link to access an example of a Waiver of Competitive Bidding Memo]

> Independent Contractor Checklist
  *Use when appropriate.*

Once you have all of these items, you are ready to submit your contract for review!
2. Locate Supplier ID

When submitting a contract for review, a supplier name is required. For all expense contracts, a Supplier/Vendor ID is also required. Having a Supplier ID means that the supplier has been set up in the Financial System.

To locate an existing supplier and supplier ID for your contract, follow the steps outlined below:

1. Go to MyPack Portal > Financial System Homepage > Financials Quick Nav > Voucher & Supplier Maint > Supplier Center.

2. Under New Request, click on Update/Search Supplier.

3. Type the name of the supplier into the Supplier Name field.

4. If you locate your supplier in the Financial System you will be able to select them from the autofill or magnifying glass search options when submitting a contract via the Contract User Portal.
3. Register a Supplier in the Financial System

If you cannot find your supplier with the Look Up Supplier tool, the supplier has not been registered in the Financial System yet. You must set them up first with Accounts Payable.

To set up a new supplier in the Financial System follow the steps outlined below.

1. Contact Accounts Payable or your department’s business office to request an ACH Enrollment form.

2. Send the ACH enrollment form and the W-9 Form to the supplier and ask them to fill it out and return it to you.

   Once you have these forms, you can start the process of setting up the supplier in the Financial System.


4. Under New Request, select Add Supplier and then select Supplier.

5. Enter the name of the supplier as it appears on the W-9. Do not enter any punctuation in this field.

6. Select Add.

7. Complete the rest of the required information:
> Supplier Details
> Location
> Email
> Order Information

![Supplier Center - Add Supplier](image)
8. Check the box to acknowledge that you have verified that the information is correct and select **Submit for Approval**.

You will receive an email with the Request ID and will be directed to the Request Details and Documentation page. Next, you will need to upload the required supplier documentation.

9. Select the **Upload Document** button and upload the completed W-9 and ACH Enrollment forms in separate attachments.

10. Click on **Complete Request**.

You will be redirected to the main page of the Supplier Center, where you can review the status of the suppliers you have requested in the **Recent Requests** box.
Once Accounts Payable approves the request you will receive an email notification with the new Supplier/Vendor ID. After waiting a day for the overnight feed to occur, you will now be able to search for the supplier in the contract portal.

Helpful Links:

> [Vendor Center User Guide](#)
> [Vendor Payments](#)

**Facility Use Agreements**

To process a Facility Use Agreement, download a [Facility Use Agreement](#) template. Once completed, route it through the [Contracts Portal](#) for approval and signature.
CHAPTER 3: Contract Review Process

The Contract Review Services Team must review all purchase agreements, no matter the value, whenever there is a written contract, agreement, or purchase order involved. To submit a contract for review, follow the instructions outlined below.

Instructions to Submit a Contract for Review

1. Log into the Contract User Portal.

2. Click on Submit a Contract.

3. This will take you to the Contract Details tab, where the specific information about your contract needs to be entered. (These fields will change based on the contract type you select.)

4. Enter the contract Start Date.
5. Enter the contract **End Date**.

6. If payments are being made by the University, you will need to enter the **Project ID** of the funding source.

7. Enter the **Contract Value**.
8. The **Comments Field** can be used to provide additional information, if needed.

9. Answer the **dropdown questions** regarding if your supplier is an *individual*.

10. Key in the **name of your supplier** and, if shown, select the name from the autofill.
The magnifying glass can also be used to search and select your supplier. The **Supplier ID** will auto populate when selecting your supplier via the autofill or magnifying glass.

11. **A Supplier ID** is required for any contract if payments are being made by the University.

If required, you will not be able to submit your contract until a Supplier ID has been established.
Instructions on how to locate a supplier ID can be found on the "Can't Find your Supplier?" link.

12. Enter your supplier contact name.

13. Enter your supplier contact email.
At any time, you can save your work as a draft by clicking on the Save button. Clicking Save will remove you from the contract record.

Using the dropdown arrow and choosing Save and Continue will save your work and keep you in your current contract record.

14. Your drafts can be found on the My Contracts tab.
15. You can click on the **contract number** or on the **Edit** icon to return to your record.

16. Click on the **Documents** tab, to upload your contract and any supporting documents.

17. Click on the **Upload** button.
18. Use the dropdown menu to classify the **type of document** you are attaching.

19. You can **Drag & Drop** your document or click on **Attach/Manage**.

Please note: only **one document** can be associated with **each attachment type** but **multiple attachments** can be uploaded.
For example, we can attach a contract, an Independent Contractor Checklist, and a Sole Source Justification.

20. When all your documents are attached, click the green **Submit** button to submit your contract for review.
Your submission will remain in **Draft** status until you submit it. To view the status of any contract you have submitted, click on the **My Contracts** tab.

![Click to View Status of all Submitted Contracts](image)

The submitted contract and supporting information are reviewed for standard legal terms and conditions. Negotiations may be required between the University department, the contractor, **Contract Review Services**, and the Office of General Counsel.

The department will receive an email notification when their contract is fully signed. The signed agreement can be found in the [Contract User Portal > My Contracts > Contract Number > Documents tab](#).

- Click on [this link to watch a video tutorial of how to submit a contract.](#)
- Click on [this link to watch a video tutorial of how to check the status of a contract and search previously signed contracts.](#)

Once you submit your contract for review, you no longer have the ability to edit the contract. If you need to make a change on a contract request, please contact **Contract Review Services**.
Where do I find my Signed Agreement?

Once a contract is fully approved, a DocuSign envelope is sent to each party to obtain signature(s). Once all signatures have been collected, a copy of the signed agreement is sent to each of the signatories. The requester (you) will receive an email indicating that the contract has been signed, which will include a link to view the contract:

Contract User Portal > Documents tab > Signed Agreement

Click on the Attached File to view and download a copy of the signed agreement.
CHAPTER 4: Administration of Contracts

It is the responsibility of each University department to ensure that all contractual obligations are met and that contract monitoring is documented. A Contract Monitoring Checklist has been developed to serve departments during the contract monitoring process.

Each contract is unique and the department may download and edit this checklist as required to meet its particular circumstances. In addition, departments should pay special attention to the following aspects of administration of contracts:

> Understand the scope of the contract.
> Make sure that deliverables and milestones are met in a timely manner.
> Know when your contract expires and when they may need to be renewed or extended.
> Make sure that you note, in writing, of any deficiencies or problems in the performance of the contract.
> If needing to terminate an agreement due to lack of performance or breach of contract on behalf of the contractor, notify Contract Review Services immediately.
**Contract Status**

Each contract has a status that provides a general idea of where the contract is in the review process. The table below explains what each status means:

<table>
<thead>
<tr>
<th>STATUS</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>Draft</td>
<td>An unsubmitted contract OR a previously submitted contract that was rejected during the approval process.</td>
</tr>
<tr>
<td>Pending Approval</td>
<td>Your submitted contract is currently being reviewed by necessary approvers and is still awaiting full approval.</td>
</tr>
<tr>
<td>Waiting on Department</td>
<td>Purchasing needed further information, reached out via email or phone, and is awaiting department user response.</td>
</tr>
<tr>
<td>Negotiating with Supplier</td>
<td>Your contract has been sent to supplier and is currently being negotiated.</td>
</tr>
<tr>
<td>Approved</td>
<td>Your contract has been reviewed and approved by all approvers and the DocuSign envelope is being sent out to the appropriate signatories.</td>
</tr>
<tr>
<td>Pending Signature</td>
<td>A DocuSign envelope has been sent to the signing parties and is awaiting signature.</td>
</tr>
<tr>
<td>Signed</td>
<td>Your contract has been fully signed by all parties and you have been notified by email.</td>
</tr>
<tr>
<td>Active</td>
<td>Your signed contract's term is currently in effect.</td>
</tr>
<tr>
<td>Expired</td>
<td>Your signed contract's term is no longer in effect.</td>
</tr>
</tbody>
</table>
Contract Amendments

There are three possible contract amendment scenarios:

> Amending an existing contract that has a contract number above 60000.

> Amending an existing contract or contract amendment that has an original contract number below 60000 and has not previously been amended in the new contract portal.

> Amending an existing contract or contract amendment that has an original contract number below 60000 and also has previously been amended in the new contract portal.

The next section will provide step-by-step instructions and examples for how to submit contract amendments according to the three scenarios outlined above.
Amending an existing contract that has a contract number above 60000.

1. Click the **Submit a Contract** link or tab.

This will take you to the **Contract Details** tab where the specific information about your amendment needs to be entered.
2. Change the record type from **Contract** to **Amendment**.

3. Enter the **Parent Contract Number**.
This will populate the basic supplier information based on the original contract and provide a link to the original contract record.

4. Enter the **Amendment Number**.
5. Enter the **Contract End Date**.

6. Enter the **Project ID**.

The **Contract End Date** and **Project ID** may be the same or they may have changed from the original agreement.
7. Enter the **Contract Value**. The contract value is the total value of the amendment plus the value of the original contract including any other previous amendments.

7. Enter the **Contract Value**. The contract value is the total value of the amendment plus the value of the original contract including any other previous amendments.

8. Enter the **Amendment Value**. The amendment value is only the value associated with the amendment you are submitting.

9. Answer the tiered questioning: **Is the supplier an individual?**
10. Answer the tiered questioning: **Is the supplier an employee of NC State University?**
11. Enter the supplier contact information.

12. Click on the Documents tab.
13. Attach your Contract Amendment.

14. Click Save.

15. Click the green Submit button to submit your contract amendment for review.
Amending an existing contract or contract amendment that has an original contract number below 60000 and has not previously been amended in the new contract portal.

For this scenario, you will submit the amendment as if you are submitting a new contract.

1. Change the Record Type to **Contract**.
2. Enter the **Contract Type**.
3. Enter the **Contract Start Date**.
4. Enter the **Contract End Date**.

5. If payments are being made by the University you will need to enter the **Project ID** of the funding source.
6. Enter the **Contract Value**. The contract value is the total value of the amendment plus the value of the original contract including any previous amendments.

7. You will need to reference the old contract number in the **Comments** field.
Continue to fill out the rest of the form, upload your contract amendment, and submit it for review.
Amending an existing contract or contract amendment that has an original contract number below 60000 and also has previously been amended in the new contract portal.

For this scenario, you will submit an amendment to the new contract number which was generated when the contract was first amended in the new system.

1. Change the Record Type to **Amendment**.

2. Enter the **Parent Contract** number.

3. Enter the **Amendment Number**. The amendment number you input in the system in this scenario is based on the number of amendments processed under the contract number.

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in the new system. If you are unsure how many previous amendments have been processed under a contract, click on the **contract link**:

Click on the **Related Contracts** tab of the original contract number to see the other amendments.
In this example the **Amendment Number** you would enter is 3.
(If there were no related contracts, your Amendment Number would be 1.)

Continue to fill out the rest of the form, upload your contract amendment, and submit it for review.
CHAPTER 5: Tutorials

1. How to Submit a Contract

Click on the image below to watch the video tutorial.

Video URL: https://youtu.be/v81hHObh72A
2. How to Check the Status of a Contract and Search Previously Signed Contracts

Click on the image below to watch the video tutorial.

Video URL: https://youtu.be/5c_u81VAsnw
3. How to Submit a Contract Amendment

Click on the image below to watch the video tutorial.

[Image: CONTRACT REVIEW SERVICES How to Submit a Contract Amendment]

Video URL: https://youtu.be/ve4LwHcOVmg
CHAPTER 6: Resources

Employee vs. Independent Contractor

An employee is an individual who performs a service for the University and is working under the direction and control of the University or its employees. An employee is paid through the payroll system and required Federal and State taxes are withheld and/or paid on the employee’s behalf.

An independent contractor is an individual engaged by the University to perform a specific function or task and who is free to perform this function or task completely at the individual’s own discretion with regard to means and methods. No taxes are required to be withheld or paid on compensation disbursed.

An active employee can NEVER be an independent contractor!

Select this link to access the Employee vs. Independent Contractor Reference Guide.
Select this link to access the Controller’s Office Tax Compliance page.

Checklist for Determination of Independent Contractor Status

The University has developed a checklist to help departments determine if an individual providing services can be classified as an independent contractor. Departments must complete this checklist and include it with the contract sent to Procurement Services.

Select this link to access the Checklist for Determination of Independent Contractor Status.
Purchases from Employees
Every reasonable effort shall be made to avoid making purchases from employees of any state agency. Prior written approval from the State Purchasing Officer (SPO) is required for instances which may develop when doing business with such personnel. To obtain SPO approval, a request must first be submitted to Procurement Services for preliminary approval. If approved, Procurement Services will forward the request to the SPO for final approval.

Select [this link for detailed information concerning Purchases from University Employees](#).

State of North Carolina Contract Administration and Monitoring Guide
The purpose of the [Contract Administration/Monitoring Guide](#) (CAMG) is to provide agency contract administrators guidance on improving existing contract management processes.

Throughout this guide, the term Administrator, Contract Monitor or Contract Manager are used interchangeably.
## CHAPTER 7: Best Practices

<table>
<thead>
<tr>
<th>1. NEVER SIGN A CONTRACT!</th>
</tr>
</thead>
<tbody>
<tr>
<td>Only the Chancellor and those delegated by the Chancellor have the authority to execute contracts for the University. Any person executing a contract that purports to bind the University or its subunits is acting without authority and could be held personally responsible for the breach of the contract or for the full value of the contract.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. ADMINISTER YOUR CONTRACTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitor and verify that the contractor is performing the services as outlined in the contract.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. DETERMINE THE CORRECT CONTRACT CATEGORY AND THE APPROPRIATE OFFICE FOR REVIEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refer to the <a href="#">Standard Contracts Library</a> prior to initiating a contract.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. FOLLOW THE CORRECT PROCESS FOR SUBMITTING A PURCHASE CONTRACT FOR REVIEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refer to the tutorials listed in <a href="#">Chapter 5</a>.</td>
</tr>
</tbody>
</table>