



## Pima County Community College District Administrative Procedure

<i>AP Title:</i>	<b>Contracts</b>
<i>AP Number:</i>	AP 4.01.03
<i>Adoption Date:</i>	12/14/04, 3/4/08
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<i>Sponsoring Unit/Department:</i>	Finance and Administration
<i>Policy Title(s) &amp; No(s).:</i>	Financial Controls and Institutional Budget, BP 4.01
<i>Legal Reference:</i>	Arizona Constitution, Art. IX, Sec. 7; ARS §§ 11-952, 15-1444, and 15-1445; ARS Title 47
<i>Cross Reference:</i>	Delegation of Authority to the Chancellor, BP 1.05; Signature Authority, AP 1.05.02; Purchasing, AP 4.01.05

### **PURPOSE**

This Administrative Procedure (“AP”) provides general standards and parameters for all College agreements and defines authority for the College contracting practices to support the College mission and operations, while protecting legal and financial interests of the College and complying with applicable laws.

## SECTION 1: Definitions

“Agreement” – means a document intended to create a legally binding obligation for the exchange of goods, services, or other transfer of value between the College and another party.

“Amendment” – means a document changing (adding to, deleting to, altering) the terms (scope, amount, duration, etc.) of the underlying executed Agreement. An Amendment is an agreement and is subject to the requirements of this AP.

“Director” – means the Director of Contract Services.

## SECTION 2: Scope

This AP applies to all College Agreements, regardless of title, between the College and any other party, on any subject matter, and without regard to the amount or source of money or property involved.

## SECTION 3: Agreement Authority; Scope and Limitations

- 3.1 **Authority of the Director.** Authority to set standards and process requirements for development of all College Agreements is delegated by the Chief Financial Officer to the Director. The Director shall:
- a. Develop, implement, and ensure compliance with College-wide Agreement development processes, procedures, and mechanisms;
  - b. Adopt and implement an Agreement operational manual for College-wide application;
  - c. Develop and revise, as needed, all standard forms and templates for College Agreements, in compliance with legal guidelines and general principles of contract law;
  - d. Review and approve all College Agreements as to the form, manner, and substance, except those required to be approved by the College General Counsel under Arizona law;
  - e. Implement and oversee a College-wide system for accurate, timely, and effective storage, maintenance, and retrieval of all College Agreements.
- 3.2 **Delegation of Agreement Authority.** The Director may delegate certain Agreement functions to other departments and employees of the College, according to the conditions and within the scope defined by this AP.

**SECTION 4: Minimum Requirements for College Agreements**

- 4.1 **Contracting Entity.** At all times, the party entering Agreements on behalf of the College shall be “Pima County Community College District”.
- 4.2 **Purpose.** All College Agreements shall be in furtherance of the College mission and within the scope of activities authorized by Arizona law.
- 4.3 **Writing Requirement: Standard Forms.** All College Agreements shall be in writing and in compliance with any content and formalities required by contract law principles and any applicable Arizona statute. To the maximum extent possible, College Agreements shall use or conform to templates and forms approved by the Director.
- 4.4 **Maximum Term of College Agreements.** The duration of any College Agreement may not exceed ten (10) years, or as otherwise required or limited by Arizona law. Agreements involving real property and intellectual property may be of a longer duration, as determined on a case-by-case basis by the Director in consultation with the College General Counsel.
- 4.5 **Contents of Written Agreements.** Each College Agreement shall, in addition to basic information required to make the Agreement valid, include all relevant contract provisions aimed to protect College’s legal and financial interests, as well as all applicable provisions required by state and federal laws.

**SECTION 5: Pre-Approvals and Agreement Development**

- 5.1 **Initiating and Development Agreements.** The need for a proposed transaction, the underlying purpose, and the subject matter of any College contract, which is otherwise consistent with the requirement of Section 4.2 above, shall be determined and approved in accordance with applicable College policies and procedures, including the “Contract Development and Management Framework,” AP 4.01.06.
- 5.2 **Purchasing Agreements.** Additionally, all proposed Agreements for the purchase of goods, services, and construction for the College shall be in accordance with the “Purchasing” AP (AP 4.01.05).

**SECTION 6: Signature Authority; Agreement Performance**

- 6.1 **Agreement Signature Authority.** College Agreements shall be signed in accordance with the “Signature Authority” AP (AP 1.05.02), including, where applicable, with prior approval by the Governing Board. The Contract Services Department shall approve all College Agreements submitted with reports to the Governing Board.
- 6.2 **College Performance.** A College Agreement becomes effective only when signed by an authorized representative from each party. Except in an emergency, as determined by the Director in consultation with the College General Counsel, the College shall not perform any obligation under an Agreement until it is effective.

**SECTION 7: Retention and Management of College Agreements**

- 7.1 **Agreement Management.** Management, including any evaluations, cost, or performance assessments for all College Agreements executed in accordance with this AP shall be in accordance with the “Contract Development and Management Structure” AP (AP 4.01.06).
- 7.2 **Record and Retention.** Final copies of all executed College Agreements shall be stored in a centralized manner to ensure College-wide repository and retention, and retrieval for convenience, transparency, and compliance with applicable Arizona records laws.