

**Exemptions to the Requirement for Contract Compliance Review**  
(Effective March 1, 2022)

Except as described in this document, contracts are subject to the Contract Approval and Signature Authority Policy, available [here](#). Please read the information below carefully to determine whether your proposed contract is exempt from submission to Contract Compliance (via the [Contract Management System](#)) prior to signature.

**Note:** Contracts covered by the exemptions described below may still require approval (e.g., UITS approval, compliance with P-card requirements, etc.) prior to execution in accordance with other University [policies](#), including all [Procurement-related](#) policies.

**Contract Definition:** A contract is any legally enforceable agreement regardless of whether it is titled “contract.” Contracts include but are not limited to: terms and conditions related to a transaction, letters of agreement, lecture or performance agreements, licenses, and memoranda of understanding.

**1. Certain Contracts with External Entities:**

- 1.1 Purchases from existing [statewide](#), [University](#), and Board of Regents contracts do not require submission to the Contract Management System before execution.
- 1.2 Pre-approved and unmodified standard university contract templates, such as Lecture Agreements or Artistic Performance Agreements, do not require submission to the Contract Management System before execution, **unless** modifications to the terms and conditions are requested by your department or the vendor. However, these contracts may not be inappropriately used. For example, a Lecture Agreement must not be used to contract with providers of services other than Lectures. In addition, the fully executed contract should be submitted to the Contract Compliance Office, via the [Contract Management System](#), *prior to the event or service* for inclusion in the University’s repository.

**1.3 IF:**

The contract is one of the following types:

- Software licenses (excluding agreements which contain additional services);<sup>i</sup> or
- Purchase/licenses related to statistical data (i.e. Bloomberg); or
- Online subscriptions (not including online advertising); or
- Online shopping carts with terms and conditions (i.e. Amazon, Walmart); or
- Purchase of mailing lists for KSU marketing purposes; or
- Music licenses/rental agreements related to use of specific music pieces in theatrical productions, film licenses, play license for theatre productions, and image licenses; or
- Research and lab supplies; or
- Equipment, supplies, and materials (e.g., convertible workstations/standing desks, tents, digitizers, analyzers, solar tables, plexiglass, fabric, and tools).

**AND:**

*All* of the following conditions apply:

- Cost of the contract or purchase is less than \$10,000<sup>ii</sup>; and
- The initial year’s cost of the contract is paid from the current fiscal year’s budget; and
- The product is for localized use solely within the department or college making the purchase, and not for campus-wide use.

**THEN:**

The contract does not have to be submitted for review to Contract Compliance prior to signature. **However**, the fully executed contract should be submitted to the Contract Compliance Office, via the [Contract](#)

Management System, *prior to the event or service* for inclusion in the University's repository.

1.4 **IF:**

The contract is one of the following types:

- Purchase of research and lab supplies/equipment; or
- Equipment, supplies, and materials (e.g., convertible workstations/standing desks, tents, digitizers, analyzers, solar tables, plexiglass, fabric, and tools).

**AND:**

All of the following conditions apply:

- Cost of the contract or purchase is between 10,000 and \$25,000<sup>iii</sup>; and
- The initial year's cost of the contract is paid from the current fiscal year's budget; and
- The product is for localized use solely within the department or college making the purchase, and not for campus-wide use; and
- The vendor must accept KSU's Purchase Order Addendum without modifications or additional terms.

**THEN:**

The contract does not have to be submitted to Contract Compliance prior to signature. **However**, the fully signed contract should be submitted to the Contract Compliance Office, via the Contract Management System, *prior to the event or service* for inclusion in the University's repository.

**2. Internal KSU agreements:**

- 2.1 Internal agreements/understandings between two or more KSU departments may be executed or processed without obtaining approval from Contract Compliance. For example:
  - Memorandums of Understanding
  - Joint Appointment Agreements
  - Facility Use Agreements
  - Service Agreements or Invoices/quotes.
- 2.2 Please note that this exemption does **not** apply to agreements with affiliated organizations (such as the KSU Research & Service Foundation (KSURSF),<sup>iv</sup> KSU Foundation, KSU Athletic Association, etc.). Such agreements are not internal agreements. The exemption also does not apply to agreements with other institutions that are part of the University System of Georgia.
- 2.3 Both incoming and outgoing research contract templates through KSUSRF, may be executed or processed without obtaining approval from Contract Compliance, as these are reviewed by Legal Affairs through the Research Office process. This exemption does **not** include contracts for the purchase of goods and services required and in support of the research itself.

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<sup>i</sup> Agreements related to the licensing of software which contain additional services, such as training, customization, and implementation or professional services, are considered service agreements and require Contract Compliance review.

<sup>ii</sup> Purchases of \$10,000 or more should not be divided into multiple smaller purchases to avoid Contract Compliance review. If there are multiple contracts/quotes with the same vendor related to a single purchase or project, the cumulative value of these contracts will be considered as the total contract value absent information showing that they are truly independent items.

<sup>iii</sup> Purchases of \$25,000 or more should not be divided into multiple smaller purchases to avoid Contract Compliance review. If there are multiple contracts/quotes with the same vendor related to a single purchase or project, the cumulative value of these contracts will be considered as the total contract value absent information showing that they are truly independent items.

<sup>iv</sup> Contracts directly with KSU (as opposed to KSURSF) require the signature of the Vice President of Finance & Chief Financial Officer. Legal

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Affairs' review for applicable contracts must be coordinated by the Research Office. In certain circumstances, incoming or outgoing research contracts should be reviewed by other offices such as EHS, UITS or Facilities (e.g., scientific equipment). The Research Office is responsible for engaging directly with other offices, as appropriate and necessary.