

<b>SUBJECT:</b> Signature Authority Policy	<b>Effective Date:</b> 2/25/2015	<b>Policy Number:</b> 2-107.3	
	<b>Supersedes:</b> 2-107.2	<b>Page</b> 1	<b>Of</b> 6
	<b>Responsible Authority:</b> Vice President and General Counsel		

**DATE OF INITIAL ADOPTION AND EFFECTIVE DATE 5/01/2013**

#### **APPLICABILITY/ACCOUNTABILITY**

This policy applies to all written contracts relating to commercial and non-commercial transactions involving goods, supplies, equipment, services, programs, and real and personal property.

#### **BACKGROUND**

The proper delegation of authority to execute contracts with external entities is necessary to minimize legal, financial, and related risks to the university. This policy clarifies which employees of the university have authority to sign contracts and to whom such authority may be delegated.

#### **POLICY STATEMENT**

A valid delegation of authority from the president or other university official listed herein provides individuals with the authority to enter into contracts with external entities on behalf of the university. Individuals who enter into contracts without signature authority may subject their departments or units to fines. Such individuals may also be personally liable under the contract.

#### **DEFINITIONS**

**Conflict of Interest.** A divergence between an individual's private interests and his or her employment obligations to the university such that an independent observer may reasonably

question whether the individual's actions or decisions are influenced or determined by considerations other than the best interest of the university.

**Contract.** An agreement between two or more parties that creates an obligation to do or not do a particular thing. This includes memoranda of understanding, affiliation agreements, and leases. A contract does not require the payment of money or other compensation to create an obligation.

**Delegation.** The transfer of authority from one person to another.

**Signature Authority.** The authority to bind the university by contract.

## PROCEDURES

### I. Authorized Signatories

#### A. Level I.

The president has authority to sign all contracts on behalf of the university pursuant to Section 5.1 of the Bylaws of the University of Central Florida Board of Trustees. This authority is retained and may be exercised notwithstanding delegations of authority to sign certain contracts to other administrative officers.

#### B. Level II.

(1) The vice president for administration and finance, as chief financial officer for the university, is responsible for all fiscal and nonacademic administrative operations of the university. The vice president for administration and finance may execute contracts involving all fiscal and administrative areas of the university up to \$500,000 and has final authority to approve sole-source purchases.

(2) The provost and vice president is the principal academic officer of the university and is the second-highest ranking officer of the university. The provost may execute all contracts and agreements, limited to \$500,000 in expenditures or liability relating to academic affairs, including research, health care, and licensing matters.

(3) The vice president for research and commercialization may execute all grants, contracts, and other agreements with terms and conditions for research, sponsored training, clinical trials, patents and licensing, technology transfer, and research compliance. Level III limits shall apply for all other contracts within the areas of responsibility of the vice president of research and commercialization. Notwithstanding paragraph III, the vice president for research and commercialization may delegate authority to those positions specifically stated in paragraph II(B).

(4) The vice president for medical affairs and dean of the College of Medicine, as the chief medical officer, may execute contracts and documents directly related to the

clinical practice and clinical services of the College of Medicine, including clinical affiliations and service agreements relating to the development and operations of UCF Health, limited to \$500,000 in expenditures or liability. This authority is limited to commitments of three years or less.

(5) The vice president and general counsel may execute settlement agreements, limited to \$500,000 in expenditures or liability. This authority is limited to commitments of three years or less.

C. Level III.

(1) Other than the specific Level II authority designated above, vice presidents may execute contracts on behalf of the university within their areas of responsibility, limited to \$250,000 in expenditures or liability.

II. Additional Contracting Authority

A. Procurement of Goods and Services. The UCF Purchasing Department is responsible for coordinating procurement for the university and for the development of procurement policies and procedures. All personnel are required to abide by the Purchasing Department's policies and procedures when requisitioning goods and services unless otherwise exempted under those policies and procedures. The director of purchasing may execute contracts for the procurement of goods and services, limited to \$500,000 in expenditures or liability.

B. Office of Research and Commercialization. To facilitate the operation of the Office of Research and Commercialization, the following positions within the Office of Research and Commercialization may be granted signatory authority by the vice president for research and commercialization pursuant to paragraph I(B)(3) and according to internal policy of the Office of Research and Commercialization:

- (1) associate director research program services
- (2) assistant director research program services
- (3) coordinator research program services.

III. Delegation Limits

Individuals with Level I and Level II authority may delegate authority to positions no more than two reporting levels below their level. These delegates are then subject to the signatory limits of Level III positions as defined in Section I. Individuals with Level III authority may delegate authority to positions one reporting level below their level. These delegates are then subject to the signatory authority limits of Level III positions as defined in Section I. It is unacceptable to divide contracts for related purposes into multiple parts in order to circumvent this monetary limit.

#### IV. Delegation Responsibilities

A. As set forth above, the president, provost and vice president, chief financial officer of the university, and all vice presidents have the authority to execute certain agreements on behalf of the university. These individuals are also authorized to delegate such authority to subordinates for the initiation, management, or completion of the contract process.

B. Authority relating to transactions that require specific approval of the Board of Trustees may not be delegated.

C. The person to whom authority is delegated and who approves any contract or transaction that constitutes a commitment between the university and external entities has the responsibility to:

- (1) ensure that the contract or transaction complies with all federal or state statutes and university policies and regulations;
- (2) verify the availability of funds for the contract or transaction;
- (3) obtain legal review and approval;
- (4) ensure that there is no real or apparent conflict of interest on the part of any individual or organization involved in the contract or transaction, or, where there is a real or apparent conflict of interest, the issues have been resolved prior to entering into the contract or transaction;
- (5) secure all necessary signatures; and
- (6) oversee proper performance of all contract or transaction commitments.

D. Even if signature authority is delegated, the ultimate responsibility shall remain with the delegating individual.

#### V. Delegation Process

The procedures to follow for proper delegations of authority under this policy are outlined below.

A. All delegations of authority must be in writing.

B. The authority associated with an appointment may not be exercised by an individual prior or subsequent to the effective dates of employment and/or appointment. Delegation of authority does not transfer with the person, but remains with the position until changed or the delegation term expires.

C. The delegation must include (1) a specification of the scope, terms, and limitations of the delegation; (2) the contract or types of contracts the delegate is authorized to sign; and (3) the duration of the delegation, not to exceed the maximum limit as provided within this policy.

D. A copy of the delegation must be transmitted within three business days to the Office of the General Counsel. A copy must also be maintained in the office of both the

delegator and the delegate. The Office of the General Counsel will maintain a master list of all delegations.

E. All delegations of authority governed by this policy are considered in effect for a period of no more than three years unless otherwise specified and may be revoked or modified at any time by the delegator (in consultation with his or her supervisor and the Office of the General Counsel, as appropriate). Upon the expiration of this authority, the appropriate individual must reauthorize the delegation in writing.

F. Any senior administrative leadership change (to include an interim or acting leadership appointment) should precipitate a review of all existing delegations of authority to determine whether existing delegations of authority should continue under the new leadership.

G. At the beginning of each fiscal year, all university officers should review the written delegations governing their areas to ensure that such delegations are current, accurate, and consistent with the needs of the institution and its various units.

VI. Penalties for non-compliance

A. First violation- written reminder to the head of the department or unit of the requirements of the policy.

B. Second violation- five hundred dollar fine assessed against the department or unit.

C. Third and subsequent violation- one thousand dollar fine assessed against the department or unit.

D. In addition to the above and concurrent with each violation, the individual signing without authority shall be subject to progressive discipline consistent with existing policy, up to and including termination.

**RELATED DOCUMENTS AND POLICY LINKS**

The following policies or regulations should be consulted in conjunction with this policy.

A. BOG 1.001 University Board of Trustees Powers and Duties  
[http://www.flbog.edu/documents\\_regulations/regulations/1\\_001\\_PowersandDuties\\_Final.pdf](http://www.flbog.edu/documents_regulations/regulations/1_001_PowersandDuties_Final.pdf)

B. Bylaws of the University of Central Florida Board of Trustees  
<https://bot.ucf.edu/files/2013/10/BOT-bylaws-Fifth-Amended-and-Restated-FINAL1.pdf>

- C. Purchasing regulation UCF-7.130  
<http://www.regulations.ucf.edu/docs/notices/7.130PurchasingFINALJun14.pdf>
- D. Purchasing Procedure Manual  
[http://www.purchasing.ucf.edu/Procurement%20Forms/Index/PURCH\\_PROC\\_MANUAL\\_04\\_05\\_12.pdf](http://www.purchasing.ucf.edu/Procurement%20Forms/Index/PURCH_PROC_MANUAL_04_05_12.pdf)
- E. Conflict of interest regulation UCF-3.018  
[http://www.regulations.ucf.edu/chapter3/documents/3.018OutsideActivityorEmploymentFINAL\\_Sept14.pdf](http://www.regulations.ucf.edu/chapter3/documents/3.018OutsideActivityorEmploymentFINAL_Sept14.pdf)
- F. Contract review  
<http://www.policies.ucf.edu/documents/2-102.2ContractReviewFinalonLetterhead.pdf>

**CONTACTS**

Office of the General Counsel, 4365 Andromeda Loop N, Millican Hall 360, Orlando, Florida, 32816-0015; (407) 823-2482.

**FORMS**

Delegation of Authority form:

<https://generalcounsel.ucf.edu/files/2013/03/Delegation-of-Authority-form.pdf>

**INITIATING AUTHORITY** Vice President and General Counsel

<b>POLICY APPROVAL</b>	
<b>(For use by the Office of the President)</b>	
Policy Number: <u>2-107.3</u>	
Initiating Authority: <u><i>W. Scott Cole</i></u>	Date: <u>2/24/15</u>
University Policies and Procedures Committee Chair: <u><i>Sharon Bishop</i></u>	Date: <u>2/19/2015</u>
President or Designee: <u><i>John C. Hill</i></u>	Date: <u>2/25/15</u>

History 2-107, 2-107.1