



UNIVERSITY OF CENTRAL FLORIDA

Office of the President

SUBJECT: Signature Authority Policy	Effective Date: 6/9/2017	Policy Number: 2-107.4	
	Supersedes: 2-107.3	Page 1	Of 7
	Responsible Authority: Vice President and General Counsel		

DATE OF INITIAL ADOPTION AND EFFECTIVE DATE 9/26/2012

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 regulates and 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 and disciplinary action up to and including termination. 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 1.

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. Some contracts may be subject to prior approval of the Florida Board of Governors or UCF Board of Trustees before execution by the President or his designee. The President may approve salary supplemental payments in accordance with UCF and Human Resources policies and procedure and any applicable collective bargaining agreements. These include uniform/tool allowances, one-time performance payments, stipends, awards, criminal justice incentive pay and non-qualified moving expenses.

B. Level 2.

(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. In accordance with UCF Regulation 7.203, the Vice President for Administration and Finance may sign lease agreements up to \$1 million.

(2) The Provost and Executive 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 Dean of the College of Graduate Studies 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 including but not limited to agreements that obligate university project funds. This authority may be delegated as outlined by section III except that the Level 3 limits described therein do not apply. Level 3 limits shall apply to the Vice President and all delegates for all agreements obligating non-project (departmental) funds. This subsection does not apply to the exclusive responsibilities of the College of Graduate Studies.

(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 documents related to actual or threatened legal or administrative proceedings involving UCF or its direct support organizations, limited to \$500,000 in expenditures or liability.

C. Level 3.

(1) Vice Presidents may execute contracts on behalf of the university within their areas of responsibility, limited to \$250,000 in expenditures or liability, except as defined in section I(B) herein.

Additional Contracting Authority

A. Procurement of Goods and Services: The UCF Procurement Services 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 Procurement Services department's policies and procedures when requisitioning goods and services unless otherwise exempted under those policies and procedures. The Director of Procurement Services may execute contracts for the procurement of goods and services, limited to \$500,000 in expenditures or liability and limited to \$100,000 for leases.

- B. Due to the nature of building emergencies, the Associate Vice President for Administration and Finance (Facilities and Safety) may authorize expenditures of up to \$500,000 when acting in an emergency, as defined by the Vice President for Administration and Finance and Chief Financial Officer. Further, the Associate Vice President for Administration and Finance (Facilities and Safety) may sign change orders and additional service authorizations on contracts that have previously been signed in compliance with this policy so long as such change orders do not cause a project to exceed its approved budget.

II. Delegation Parameters

The President and Vice Presidents may delegate their authority to sign agreements to other UCF employees as they deem necessary and appropriate. Except as otherwise stated in this policy, delegates are subject to the signature authority limits of Level 3 positions as defined in Section I(C) unless further restricted by their delegations. It is unacceptable to divide contracts for related purposes into multiple parts in order to circumvent any monetary limits. The President and Vice Presidents have authority to approve salary supplemental payments in accordance with UCF and Human Resources policies and procedure and any applicable collective bargaining agreements, including uniform/tool allowances, one-time performance payments, stipends, awards, criminal justice incentive pay and non-qualified moving expenses and may delegate such authority as needed.

III. Delegation Responsibilities

- A. 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) verify the availability of funds for the contract or transaction;
 - (2) obtain legal review and approval in compliance with UCF Policy 2-102.2;
 - (3) 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;
 - (4) confirm that all necessary approvals have been obtained; and
- B. Even if signature authority is delegated, the ultimate responsibility shall remain with the delegating individual (delegator).

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. A form to be used for such purpose can be found at the link below. Any delegations made shall supersede extant or prior delegations; accordingly, delegators should list all current delegations to a particular position rather than adding new delegations in separate writings.
- B. The authority associated with an appointment. Delegation of authority does not transfer with the person and the delegation is terminated.
- 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 by this policy.
- D. A copy of the delegation must be transmitted within three business days to the Office of the General Counsel at contracts@ucf.edu. 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. By default, all delegations of authority governed by this policy are considered in effect for a period of three (3) years and may be less as stated in the delegation. Delegations may be revoked or modified at any time by the delegator. 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 violations: one thousand dollar fine assessed against the department or unit.

- D. In addition to the above, 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
- B. Bylaws of the University of Central Florida Board of Trustees:
<https://bot.ucf.edu/files/2011/12/BOT-bylaws-Fourth-Amended-and-RestatedDec10.pdf>
- C. Procurement Services regulations:
<http://www.regulations.ucf.edu/chapter7/index.html>
- D. Procurement Services Procedure Manual:
https://procurement.ucf.edu/wp-content/uploads/sites/3/2016/09/PurchasingManual_090816.pdf
- E. Conflict of interest regulation:
http://regulations.ucf.edu/chapter3/documents/3.018OutsideActivityorEmployment_FINAL2_Sept14.pdf
- F. Real property leasing regulation:
<http://regulations.ucf.edu/chapter7/documents/7.203RealPropertyLeasingFINALApril16.pdf>
- G. Contract review policy:
<http://policies.ucf.edu/documents/2-102.2ContractReview.pdf>
- H. University of Central Florida Board of Trustees Materiality Guidelines:
<https://bot.ucf.edu/files/2011/12/BOTMaterialityGuidelines.pdf>

CONTACTS

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FORMS

Delegation of Authority form:

<https://generalcounsel.ucf.edu/files/2016/09/Delegation-of-Authority-Form-august16.pdf>

INITIATING AUTHORITY

Vice President and General Counsel

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: <u>2-107.4</u>	
Initiating Authority: <u>W. Scott Cole</u>	Date: <u>6/5/17</u>
University Policies and Procedures Committee Chair: <u>Richard Bishop</u>	Date: <u>6/2/2017</u>
President or Designee: <u>John C. Hill</u>	Date: <u>6/9/17</u>

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