EXECUTIVE SUMMARY OF PROPOSED POLICY: Delegation of Signatory Authority

New Policy ☐ or Substantive Revision ☒
Policy Type: Board of Visitors
Responsible Office: Office of the President
Draft Date: 1/26/2008
Initial Policy Approved: 09/17/1986
Revision History: 12/13/2013; 8/21/2008

Governance Process Tracking:
Integrity & Compliance Office Review: 10/11/2018
University Counsel Review: 10/11/2018
Public Comment Posting: MM/DD/YYYY
University Council Review: MM/DD/YYYY
President’s Cabinet Approval: MM/DD/YYYY
Board of Visitors Approval (if applicable): MM/DD/YYYY

1. Why is this policy being created ☐ or revised ☒?

2. New policy ☐: What are the general points or requirements covered in this policy? 

Revised policy ☒: What are the substantive differences between this draft and the current policy?

The revised policy reflects many changes in delegations of signatory authority based on responsible individuals and roles; further clarify the process for administering the sub-delegations, and updates roles and responsibilities of senior leaders at the university.

Substantive differences include:
- Simplification of title to focus on delegation of authority (from BOV to president to others)
- Utilizes current policy format
- Establishes threshold for BOV and Presidential approval of agreements (BOV approval required for agreements exceeding $5M; president’s approval required for agreements between $2M and $5M). 
- Makes clear that prior written approval not required from BOV or president for sponsored program awards or multi-year research contracts
- Signatory authority for use of a university mark, logo or brand is addressed.
- Signatory authority of senior leaders converted to a table with general areas of responsibilities
- Senior leader positions, titles and responsibilities are updated
- Sub-delegations spell out requirements and criteria
- Process for monitoring and upkeep of delegations of authority defined
- New agreements, affiliation or agreements with an international entity or initiative must be reviewed by University Counsel for legal sufficiency
- Expands FAQs

<table>
<thead>
<tr>
<th>3. Which stakeholder offices or personnel have provided input into this policy draft?</th>
<th>University Counsel, Audit &amp; Compliance Policy Office, Divisions of Finance and Budget, Academic Affairs, Administration, University Relations, Research and Innovation, Office of the President, Athletics</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Which other universities’ policies or resources (e.g., laws, regulations, etc.) did you consider when preparing this draft?</td>
<td>VCU’s current Policy, Authority to Execute Contracts and Other Documents; University of Virginia; Norfolk State University, Christopher Newport University, and Virginia State University</td>
</tr>
<tr>
<td>5. What is your general assessment of this policy’s impact on the university community?</td>
<td>The revised policy outlines the authority of the BOV and president to delegate signatory authority to university employees to execute agreements and bind the university. The revised policy further outlines the thresholds for prior Board and presidential approvals, and clarifies the exception for such prior approval. The impact of this policy will be positive and result in less confusion over individuals’ scope of authority and employees’ authority to execute agreements on behalf of the university.</td>
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Policy Statement and Purpose

The Board of Visitors of Virginia Commonwealth University (the Board) has broad legal authority to make regulations and policies concerning Virginia Commonwealth University pursuant to the Code of Virginia § 23.1 et seq. The Board also has the authority to approve execution of agreements with outside entities that bind the university and to delegate such authority in the Board’s discretion.

The purpose of this policy is to identify authorized university employees to sign agreements or other documents on behalf of the Board and university, and to ensure that individuals and departments with the appropriate expertise review agreements substantively to protect the university’s interest. The process for reviewing, approving and executing agreements on behalf of the university further requires that the terms of university agreements are consistent with state and federal law, and all reviews and approvals required by university policies are obtained prior to execution of an agreement.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.
Who Should Know This Policy

All university employees must know this policy and familiarize themselves with its contents and provisions.

Definitions

Agreement

Agreement is a term used synonymously with contract to denote a legally binding, written document that includes an offer, sufficient consideration, and acceptance, along with agreed-upon terms, and includes but are not limited to memoranda of understanding or agreement, letters of agreement, collaboration agreements, affiliation agreements, development agreements, financial agreements, purchase orders, sales agreements, and leases.

Signatory Authority

The authority to sign and execute agreements and other documents on behalf of the university.

Contacts

The Office of the President officially interprets this policy and is responsible for obtaining approval for any revisions as required by the policy Creating and Maintaining Policies and Procedures. Please direct policy questions to the Office of the President.

Policy Specifics and Procedures

No General Signatory Authority

Only those individuals authorized by the Board, or to whom signatory authority has been delegated in writing pursuant to this policy, are permitted to sign an agreement on behalf of the university. Unless specifically authorized by this policy or a properly written delegation of authority, no VCU employee may enter into an agreement that purports to bind the university. Any agreement executed with terms that exceed the authority of the individual signing or that of the university, according to Virginia law, is void and shall not bind the university. In such cases, the employee exceeding their authority, whether also signing or not, may be personally liable for the agreement’s contents and obligations. Students, visitors, contractors, and affiliated entities of the university have no authority to execute agreements in the name of the university or to bind the university contractually.

Authority of the President

The Board has delegated to the university president authority to execute any agreement associated with the management and administration of the university. The president may delegate this authority to certain employees of the university (e.g., presidential delegations). All such delegations shall be in writing, and such records preserved in the Office of the President.
Agreements with a total actual or anticipated expenditure value between $2 million and $5 million require the prior written approval of the president. Agreements with a total actual or anticipated expenditure value exceeding $5 million require prior Board approval. In either case, prior written approval of the president or Board is not required for sponsored program awards or multi-year research contracts.

If the president is unavailable or absent to make a signatory authority decision, a senior vice president may make a temporary signatory authority decision in writing and for a limited period. The president is considered absent when incapacitated or otherwise unable to fulfill the duties of office. Routine vacations or attendance at conferences are not considered absences; however, the president may delegate his/her authority in writing when absent with specific authorities if deemed appropriate and not to exceed 21 days without prior Board approval. International travel by the president will require a delegation of authority if such travel exceeds three (3) calendar days.

Sub-Delegations Beyond Presidential Delegations

Presidential delegates have the authority to sub-delegate their authority to another employee of the university using the template associated with this policy (on page 10). Every sub-delegation must be in writing, and must also:
   i. Include the name and VCU title of the employee;
   ii. Specifically define the authority and/or tasks being delegated and the circumstances in which the sub-delegated authority may be exercised;
   iii. Be limited in duration, with a specific start time and expiration date;
   iv. Be made only to a university employee, over whom the delegator has oversight authority; and
   v. Be signed or otherwise acknowledged and accepted in writing by both the delegator and the employee.

A copy of the sub-delegation must be maintained by the office or unit issuing the sub-delegation. Copies of all written signatory sub-delegations must be filed with the Office of the President within 30 days of the executed sub-delegation or as soon as feasible. If a sub-delegation is canceled or revoked, it is the responsibility of the individual revoking such delegation to maintain a record of the cancelation or revocation in writing and forward a copy to the Office of the President. See FAQ for more information. Sub-delegations must not be made to an individual with a conflict of interest relevant to the authority being delegated.

Presidential Delegations

The Board endorses the president’s delegation of signatory authority as set forth below to employees possessing the required expertise to appropriately review and execute proposed agreements with outside entities. The president retains original signatory authority on all university agreements and may make changes to these delegations in the president’s discretion. The delegation of signatory authority attaches to the individual in the position or office identified below, and does not attach to the position or office itself.
<table>
<thead>
<tr>
<th><strong>Document:</strong></th>
<th><strong>Delegated to:</strong></th>
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</thead>
<tbody>
<tr>
<td>Purchases in general; contracts for purchase of goods and/or services; agreements for external sales</td>
<td>Senior Vice President and Chief Financial Officer (CFO); Director of Procurement</td>
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<tr>
<td>Employment contracts</td>
<td>Vice President or Unit head with direct responsibility for the relevant area in which the individual will work and report.</td>
</tr>
<tr>
<td>University-level collaboration agreements</td>
<td>Vice President or Unit head with direct responsibility for the relevant area in which the collaboration will occur or in which an individual will work and report.</td>
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<tr>
<td>Real estate lease agreements; construction agreements; capital outlay contracts; deeds of conveyance; and all other real estate-related agreements</td>
<td>Senior Vice President and CFO; Vice President for Administration</td>
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<td>Debt issuance bonds; all agreements relating to investments; expenditures and payroll</td>
<td>Senior Vice President and CFO; Treasurer</td>
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<tr>
<td>Financial Aid contracts and scholarship agreements</td>
<td>Provost and Senior Vice President for Academic Affairs; Senior Vice President for Health Sciences; respective Directors of Financial Aid; Vice President and Director of Athletics</td>
</tr>
<tr>
<td>Admissions contracts with students</td>
<td>Provost and Senior Vice President for Academic Affairs; Senior Vice President for Health Sciences; respective Directors of Admissions</td>
</tr>
<tr>
<td>Articulation agreements and other affiliation agreements for the purpose of clinical or educational programs</td>
<td>Provost and Senior Vice President for Academic Affairs; Senior Vice President for Health Sciences</td>
</tr>
<tr>
<td>Research agreements, sponsored project or program agreements, academic services agreements, grants, ancillary agreements associated with sponsored project agreements; sponsored program awards or contracts</td>
<td>Vice President for Research and Innovation</td>
</tr>
<tr>
<td>Development and other philanthropic agreements</td>
<td>Vice President for Development and Alumni Relations; Vice President and Director of Athletics</td>
</tr>
<tr>
<td>Patent and copyright licensing and transfer agreements, permissions, and assignments</td>
<td>Vice President for Research and Innovation</td>
</tr>
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</table>
Any and all agreements or affiliations related to or involving the university with an non-U.S. entity or initiative must be signed by the Vice President or unit head with direct responsibility for the relevant area in which the agreement or affiliation will occur or in which the individual will work and report.

**Board of Visitors Approval Required**

All agreements in which the value is, or can reasonably be expected to exceed, $5 million, require Board approval with the exception of sponsored program or research agreements (e.g., multi-year research contracts or awards). Regardless of amount, any transaction involving the acquisition or disposition of real property require prior Board of Visitors approval.

**Responsibilities of Signatories**

In the event that it is unclear whether an employee has the appropriate signatory authority, consultation with the delegating individual is required. Individuals executing agreements on behalf of the university must ensure that the terms of the agreement do not exceed the individual's written delegated signatory authority and that the university is willing and able to comply with the business terms contained therein. If an agreement requires the university to ensure that others (e.g., students, faculty, staff) will comply with certain terms and conditions, or execute individual agreements, the delegated signatory must ensure that the terms affecting others are reasonable and lawful, and that training of affected individuals is in place to enable compliance. Signatories shall also ensure that timely legal review is sought from the Office of University Counsel when the signatory is uncertain as to the legal sufficiency of the agreement.

Agreements that must be submitted to University Counsel review include but are not limited to:

- agreements or affiliations that require Board of Visitors approval
- agreements with an non-U.S. entity or initiative
- agreements that are substantially different from a University Counsel reviewed agreement or template

**Rescission of Previous Delegations**

Upon approval of this policy, individuals with a presidential delegation of signatory authority must review and submit any signatory sub-delegation documentation to the Office of the President. Those not submitted within 60 days of approval of this policy will considered rescinded. The rescission shall in no way affect the validity of any document signed under the authority of a resolution or action prior to the effective date of this policy.

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<td>Trademark license agreements; license material releases; sponsorship agreements, commercial filming, media, photography and location agreements</td>
<td>Senior Vice President and CFO; Vice President for University Relations</td>
</tr>
</tbody>
</table>
Forms

A one-page template to facilitate documentation of Delegation of Signatory Authority is included at the end of this document.

Related Documents

1. Virginia Conflict of Interests Act, Code of Virginia, § 2.2-3100 et seq.

Revision History

This policy supersedes the following archived policies:

- December 13, 2013  Authority to Execute Contracts and Other Documents
- August 21, 2008    Resolution Authorizing Certain University Officers and Employees to Execute Contracts and Other Documents
- September 17, 1986 Resolution Authorizing Certain University Officers and Employees to Execute Contracts and Other Documents

FAQ

1. **WHO ARE THE COMMON PRESIDENTIAL DELEGATES AT VCU?**

   The common presidential delegates at the university are senior leaders such as the Provost and Senior Vice President for Academic Affairs, Senior Vice President for Health Sciences and CEO of the Health System, Senior Vice President and Chief Financial Officer, Vice President for Administration, Vice President and Director of Athletics, Vice President for Research and Innovation, Vice President for Development and Alumni Relations, Vice President for Inclusive Excellence, Vice President for University Relations, and other senior leaders as determined by the president.

2. **WHAT ARE THEIR GENERAL RESPONSIBILITIES?**

   **Provost and Senior Vice President for Academic Affairs**

   The Provost and Senior Vice President for Academic Affairs is the highest ranking academic officer of the university other than the President, and is responsible for overseeing academic planning for the colleges and schools on the Monroe Park Campus, which include the University College, the Honors College, the Colleges of Engineering and Humanities and Sciences; the Schools of the Arts, Business, Education, Engineering and Social Work, and the Graduate School.
The Provost and Senior Vice President for Academic Affairs will have signatory authority related to academic matters of the Monroe Park Campus and, in the President’s absence or disability, to act in his stead on the execution of documents.

**Senior Vice President for Health Sciences**
The Senior Vice President for Health Sciences also serves as the Chief Executive Officer of the VCU Health System, and is responsible for the coordination and administration of overall academic and health services in the health-related schools and divisions of the university and as such directs the interrelationships of these schools and divisions with the affiliate hospitals in the conduct of clinical or other research, education and patient care.

The Senior Vice President for Health Sciences will have signatory authority for agreements on behalf of the university related to Health Sciences activities, academic or otherwise, and including, but not limited to affiliated hospitals, health sciences units and its participants, and educational affiliations.

**Senior Vice President and Chief Financial Officer**
The Senior Vice President and Chief Financial Officer (CFO) of the university is responsible for all fiscal and designated nonacademic administrative operations of the university.

The Senior Vice President and CFO will have signatory authority for agreement on behalf of the university related to all fiscal and designated non-academic administrative operations of the university, including budget, controller, procurement, business services, and treasury.

**Vice President for Administration**
The Vice President for Administration is responsible for all administrative, nonacademic operations of the university, including real estate, facilities, parking and transportation, information technology, human resources, safety and risk management, and police.

The Vice President for Administration will have signatory authority for agreements on behalf of the university related to all administrative and nonacademic operational matters of the university.

**Vice President for Research and Innovation**
The Vice President for Research and Innovation is responsible for working with faculty in all Schools, Colleges and departments as they seek funding, plan studies, establish collaborations, calculate budgets, submit grant applications, negotiate and administer contracts, and secure patents and licensing agreements.

The Vice President for Research and Innovation will have signatory authority for agreements pertaining to: (1) the application for and award of grants, contracts and other agreements to the university for research, development, training and public service; (2) the award of grants and other funds to other institutions for research, development, training and public service; (3) patents, licensing, and royalty agreements associated with intellectual properties; and (4) contracts and other agreements necessary to effectuate the business of the Office of Research and Innovation. The Vice President for Research and Innovation may request the appropriate Senior Vice President, Vice President or the President to cosign any document.

**Vice President for Development and Alumni Relations**
The Vice President of Development and Alumni Relations is responsible for increasing the private support of the university for priority programs by building relationships with community leaders and alumni through university-related foundations and alumni associations. The Vice President for Development and Alumni Relations oversees offices including Alumni Affairs, Development, Corporate and Foundation Relations, major projects and Advancement Services.

The Vice President of Development and Alumni Relations will have signatory authority for agreements on behalf of the university in furtherance of development and alumni relations.

**Vice President for Inclusive Excellence**

The Vice President for Inclusive Excellence is responsible for strengthening VCU’s climate of equity, diversity and inclusiveness and is responsible for implementing the university’s Strategic Plan on Diversity and Inclusive Excellence and all initiatives sponsored by VCU to foster diversity.

The Vice President for Inclusive Excellence will have signatory authority for agreements on behalf of the University in furtherance of diversity and inclusion.

**Vice President for University Relations**

The Vice President of University Relations serves as the university’s chief communications officer and is responsible for strategic, integrated communications that build the VCU reputation and support the strategic priorities of the university and its academic health sciences center.

The Vice President for University Relations will have signatory authority for agreements on behalf of the university in furtherance of university public affairs, university marketing, executive communications, events and special programs, and all trademark and logo uses.

**Vice President and Director of Athletics**

The Vice President and Director of Athletics is responsible for all athletic programs in support of the mission of the university.

The Director of Athletics will have signatory authority for agreements on behalf of the university in furtherance of managing and coordinating athletic programs.

3. **WHO DETERMINES SIGNATORY AUTHORITY DECISIONS ON BEHALF OF THE UNIVERSITY?**

In the event that it is unclear whether a university employee has the appropriate signatory authority, the president is authorized to make a determination about such authority.

4. **WHAT IF THE PRESIDENT IS UNAVAILABLE OR ABSENT TO MAKE A SIGNATORY AUTHORITY DECISION?**

A senior vice president may temporarily make a signatory authority decision, in writing, in the absence of the president.

5. **HOW DO I REVOKE OR CANCEL A SIGNATORY AUTHORITY?**
A Presidential delegation or sub-delegation attaches to the person holding a position or office, and not the position or office itself. If a cancelation or revocation of a delegation is necessary, it is the responsibility of the person issuing the delegation to notify the Office of the President in writing of the change within 60 days.
Delegation of Signatory Authority
Memorandum

To: [Name, Title]
From: [Name, Title]
Date: [Date]
Subject: Delegation of Signatory Authority for [enter name or type of agreement or other authority being delegated]

By means of this Memorandum, I [__name____], [__title___] hereby delegate the authority to execute [or approve] [name or type of document(s)] to [person and their title receiving authorization] provided that [note any limitation or conditions of the delegation]. This delegation of signatory authority is in compliance with VCU Policy, Delegation of Signatory Authority, and relevant laws.

This delegation* shall be effective until the earlier of [date] or the date that [name] no longer holds the title of [___].

___________________________________  _______________________________
Signature & Date                       Signature & Date

[Title VCU Officer Making Delegation]  [Title of Signatory Delegation Recipient]