

**VCU**

Authority to Execute Contracts and Other Documents

Policy Type: Board of Visitors

Responsible Office: Office of the President

Initial Policy Approved: 07/17/1986

Current Revision Approved: 12/13/2013

Policy Statement and Purpose

I. Introduction

In order to minimize financial and legal risks and adhere to internal controls, Virginia Commonwealth University must outline the proper delegation of authority to execute contracts and other documents in the name of the university. The Board of Visitors of VCU has, by prior resolution and action, granted authority to certain VCU officers and employees to execute contracts and other documents on behalf of the Board of Visitors of VCU.

This policy sets forth that authority (“signatory authority”) and outlines the limits, exemptions and other provisions of such authority with regard to these university officers.

Additionally, all decisions to pursue the acquisitions of goods or services require prior approval of the Board of Visitors, or an appropriate committee thereof, when the projected or actual cost of such goods or services is \$2,000,000 or more for the contract period exclusive of renewal periods.

II. Signatory Authority of the Chief Executive and President of the University

The President of the university shall be the chief executive and academic officer of the university and serve on the Virginia Commonwealth University Health System Authority and the Virginia Biotechnology Research Partnership Authority Boards and shall be a member of the faculty of the university and of each of the schools of the university.

The President is authorized to execute all official papers, documents, contracts, and other written instruments (“documents”) necessary to carry on the administration of the affairs of the university and the work of the Board of Visitors, except as explicitly set forth in this policy.

III. Signatory Authority of Other University Officers

This section outlines the signatory authority of the university's senior executive officers. The officers referenced in this section are further authorized to sub-delegate their signatory authority but in all instances remain responsible for documents executed as a result of such sub-delegation.

A. Senior Vice President and Chief Operating Officer

The Senior Vice President and Chief Operating Officer is responsible for all fiscal and nonacademic administrative operations of the university.

The Senior Vice President and Chief Operating Officer shall have signatory authority for documents in the name of the university and, in the President's absence to act in his stead on the execution of documents for all nonacademic matters.

B. 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 College of 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 shall have signatory authority for documents on behalf of the university where such documents are 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 for all academic matters.

C. Senior Vice President for Health Sciences

The Senior Vice President for Health Sciences 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 research, education and patient care.

The Senior Vice President for Health Services shall have signatory authority for documents on behalf of the university where such documents are related to Health Sciences, academic or otherwise, and including, but not limited to affiliated hospitals, health science research and education affiliations and patient care.

D. Vice President for Finance and Administration

The Vice President for Finance and Administration is the Chief Financial Officer of the university and is responsible for all fiscal and designated nonacademic administrative operations of the university.

The Vice President for Finance and Administration shall have signatory authority for documents on behalf of the university all fiscal and designated non-academic administrative operations of the university.

E. Vice President for Research

The Vice President for Research 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 contracts, and secure patents and licensing agreements.

The Vice President for Research shall have signatory authority for documents 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 monies 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. The signatory authority of the Vice President for Research for documents under category (4) is limited to those documents not exceeding \$2,000,000; documents exceeding \$2,000,000 must be reviewed with the President prior to signature. The Vice President for Research may request the appropriate Senior Vice President, Vice President or the President to cosign any document.

F. Vice President of 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 shall have signatory authority for documents on behalf of the university in furtherance of development and alumni relations.

G. Vice President for Equity and Diversity

The Vice President for Equity and Diversity is responsible for strengthening VCU's climate of equity, diversity and inclusiveness and is responsible for implementing the university's Five-Year Diversity Plan and all initiatives sponsored by VCU to foster diversity. The Vice President for Diversity and Equity also oversees compliance and advocacy functions including EEO/AA and ADA services.

The Vice President for Equity and Diversity shall have signatory authority for documents on behalf of the university in furtherance of diversity and equity compliance.

H. Executive Director for Government Relations

The Executive Director for Government Relations is responsible for developing strategies and managing and coordinating government relations activities on the local, state and federal levels in support of the mission of the university.

The Executive Director of Government Relations shall have signatory authority for documents on behalf of the university in furtherance of managing and coordinating government relations.

I. Executive Director of University Relations

The Executive Director of University Relations manages the offices of public affairs, university marketing, client and innovation services and events and special programs.

The Executive Director of University Relations shall have signatory authority for documents on behalf of the university in furtherance of public affairs, university marketing, client and innovation services and events and special programs.

J. Director of Athletics

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

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

IV. Determination of Signatory Authority

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

V. Rescission of Previous Resolutions.

All previous resolutions authorizing university officials or employees to execute documents in the name and on behalf of the university are hereby rescinded. Such rescission shall in no way affect the validity of any documents signed under the authority of any such previous resolution.

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.

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Who Should Know This Policy

All university members responsible for executing, and participation in executing, contracts and other documents in the name of the university must know this policy and familiarize themselves with its contents and provisions.

Definitions

Absence

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 designate in writing an SVP as acting President with specific authorities if deemed appropriate not to exceed 21 days without prior BOV approval.

Contract

An agreement made that includes an offer, sufficient consideration, and acceptance.

Documents

Official papers, documents, and other written instruments (e.g.; memorandums of understanding or agreement - MOUs / MOAs)

Signatory Authority

The authority to execute contracts and other documents in the name of the university.

Joint Venture

A contractual business undertaking between the university and one or more other parties.

Contacts

The Office of Finance and Administration officially interprets this policy and is responsible for obtaining approval for any revisions as required by the policy *Creating and Maintaining Policies and Procedures* through the appropriate governance structures. Please direct policy questions to the Office of Finance and Administration.

Procedures

I. Exemptions to Delegation of Signatory Authority:

Exemptions to the signatory authority for documents outlined above include the following:

1. Decisions to pursue acquisitions, of goods or services require prior approval of the Board of Visitors, or an appropriate committee thereof, when the projected or actual cost of such goods or services is \$2,000,000 or more for the contract period exclusive of renewal periods.
2. Contracts for the acquisition, sale, or conveyance (including the conveyance of leasehold interests and easements) of real estate, regardless of amount, must be approved by the Board of Visitors.

3. All joint venture agreements between the university and any other entity must be approved by the Board of Visitors.
4. Documents that grant the use of the university trademark/logo must be approved by the President of the university.
5. Contracts greater than \$2,000,000 must be approved by the President of the university.
6. Any other restrictions and exemptions as directed by the President or the Board of Visitors of the university.

II. Sub-delegation of Signatory Authority

Any sub-delegation of signatory authority by the university's senior executive officers shall be in writing.

III. Other Provisions

A. Capital Outlay Projects.

Approval of the Board of Visitors, or an appropriate committee thereof, shall be required prior to the initiation of any capital outlay project having a total projected or actual cost of equal to or greater than \$2,000,000, or a change order having a total projected or actual cost of \$1,000,000 or greater. Approval of the Board of Visitors shall be required for the selection of architects, engineers and consultants; for plans and/or specifications including specifications for equipment and furnishings; and for projects having a cost equal to or greater than \$2,000,000. All contracts subsequently executed for capital outlay projects will be reported to the Board of Visitors.

B. Referral to Committee.

To the extent Board of Visitors, or Board of Visitors committee approval or notification is required, the President of the university, or his designee, shall determine to which committee of the Board of Visitors a document or other action shall be referred for approval or notification. Such determination shall be consistent with the role of the representative Board of Visitors' committees as reflected in the bylaws of the Board of Visitors. Certain documents or actions may be referred to more than one committee where there exist overlapping committee responsibilities.

C. Emergencies.

In the event an emergency arises that requires action by the Board of Visitors prior to its regularly-scheduled meeting, the chairperson of the appropriate Board committee, with the concurrence of the Rector, may either call a special meeting of the committee, or in the alternative, may act on behalf of the committee to make recommendation to the Rector, who in turn may elect to act on behalf of the Board. Any such action by the Rector shall be reported at the next meeting of the Board.

D. Delegation.

The President of the university is hereby authorized to delegate to other university employees any or all of his signatory authority for documents provided that:

1. Each delegation shall be in writing and shall be to a named individual, and
2. Each delegation shall specify the type or types of documents that may be executed pursuant to said delegation, including any applicable dollar limitation.
3. Each delegation shall be timely communicated to the Office of University Counsel.

E. Legal Review.

All legally binding documents must be sent to the Office of the University Counsel to perform a review for legal sufficiency prior to being executed. Any such document which has not been reviewed and approved may not be considered binding on the university and the signatory may be personally liable for its contents and obligations.

Proposals, awards, licensing agreements, and patents containing terms and conditions previously approved by University Counsel are exempt from this requirement.

Forms

There are no forms associated with this policy and procedures.

Related Documents

A one page **Resolution** for use with third parties and a one page template to facilitate documentation of **Delegation of Authority** are included at the end of this document.

Revision History

This policy supersedes the following archived policies:

Initial Approval: September 17, 1986, *Resolution Authorizing Certain University Officers and Employees to Execute Contracts and Other Documents*

Revised: August 21, 2008, *Resolution Authorizing Certain University Officers and Employees to Execute Contracts and Other Documents*

Current Revision date: December 13, 2013, *Resolution Authorizing Certain University Officers and Employees to Execute Contracts and Other Documents*

FAQs

1. What do I need to provide to external third parties when executing a contract?

Often third parties are looking for a one page summary of the topic covered by this policy; in these cases, the one page resolution attached to this document may be provided as well as the completed template *Delegation of Authority to Sign* document. This should satisfy most third party requests. Individuals are also encouraged to share this policy as necessary.

**RESOLUTION
BOARD OF VISITORS
VIRGINIA COMMONWEALTH UNIVERSITY**

**Approval of Policy and Procedure Authorizing Officers and Employees To
Execute Contracts and Other Documents**

WHEREAS, the Board of Visitors of Virginia Commonwealth University, has, by prior resolution and action, granted authority to certain Virginia Commonwealth University officers and employees to execute contracts and other documents; and,

WHEREAS, the Board now desires to amend and modify such prior authorization in certain respects; and,

WHEREAS, the Board desires to implement such authorization in the form of a policy and procedure document;

NOW, THEREFORE, BE IT RESOLVED by the Board of Visitors of Virginia Commonwealth University as follows:

A. That the attached policy entitled "Authority to Execute Contracts and Other Documents" dated _____ is hereby approved.

B. That all previous resolutions authorizing University officials or employees to execute documents in the name and on behalf of the University are hereby rescinded.

C. That such rescission shall in no way affect the validity of any documents signed under the authority of any such previous resolution.

Delegation of Authority to Sign

I [__name__], [__title__] hereby delegate authority to execute [name of document] to [person receiving authorization] provided that [note any limitation].

[Signature of Officer Making
Delegation]*

Date

***No delegation of signatory authority is valid unless it is in compliance with the current version of VCU policy entitled, *Authority to Execute Contracts and Other Documents*.**