

University Policy 03-001

Contract Signature Authority

1. Policy Statement

- 1.1. Oregon State University's Board of Trustees has delegated to the President of the university authority to undertake all lawful activities to further the operation of the university, with the exception of the activities reserved to the Board. To ensure effective and efficient operation of the university, the President may further delegate authority.
- 1.2. Through this university policy, the President delegates contract signature authority for activities that legally bind the university or obligate the university to commit financial or other institutional resources as provided herein. A university employee may not assume authority unless that authority is extended through this policy.

2. Reason for Policy

- 2.1. Oregon State University ("university") has an obligation to be a responsible steward of the resources entrusted to it. The purpose of this university policy is to safeguard university resources and to minimize the university's financial, legal, operational, and compliance related risks by establishing the authority and responsibility of university employees with regard to activities that legally bind the university or obligate the university to commit financial or other institutional resources to any third party.

3. Scope & Audience

- 3.1. This university policy applies to all units and employees of the university.
- 3.2. This university policy does not apply to signature or approval authority that has been expressly reserved by the Board of Trustees.
- 3.3. This university policy does not apply to those signatures or approvals required for processes internal to the university (e.g., time sheets, journal entries, requisitions),

nor does this policy apply to the authority to approve payments charged to university accounts. Those signatures and approvals are internal to the university and do not contractually bind OSU to the terms and conditions of a contract with another party outside of the university. Contracts with employees are considered internal to the university for the purposes of this policy and are not covered by this policy.

4. Definitions

4.1. None.

5. Responsibilities & Procedures

5.1. Delegation of Authority

5.1.1. The university employees holding the positions identified in section 5.1.2 are granted the authority to execute written instruments that legally bind the university or obligate the university to commit financial or other institutional resources to third parties, within the scope of the specific authority granted (“Contract Signature Authority”).

5.1.2. Contract Signature Authorities:

Provost and Executive Vice President	Signature authority to execute all lawful written instruments reasonably related to job duties, as written in the position description, that further the operation of the university with the exception of those activities expressly retained by the Board or the President.
Vice President for Finance and Administration and Chief Financial Officer	Signature authority to execute all lawful written instruments reasonably related to job duties, as written in the position description, that further the operation of the university with the exception of those activities expressly retained by the Board or the President.
Vice President OSU–Cascades	Signature authority to execute written instruments reasonably related to job duties, as written in the position description, to further the operation of OSU-Cascades with the exception of those activities expressly retained by the Board or the President.

<p>Vice President for Research</p>	<p>Signature authority to execute written instruments reasonably related to job duties, as written in the position description, to further the operation of the university with the exception of those activities expressly retained by the Board or the President.</p>
<p>General Counsel</p>	<p>Signature authority to execute written instruments reasonably related to job duties, as written in the position description, to further the operation of the university with the exception of those activities expressly retained by the Board or the President.</p>
<p>Vice President of University Relations & Marketing</p>	<p>Signature authority to execute written instruments reasonably related to job duties, as written in the position description, to further the operation of the university with the exception of those activities expressly retained by the Board or the President.</p>

- 5.1.3. Any written instrument executed by a person not authorized to do so by this university policy is not binding on the university. A person who executes a written instrument that legally binds the university or obligates the university to commit financial or other institutional resources to a third party without authorization under this policy is acting outside the scope of their employment. They may be personally liable for any resulting liability or obligation and subject to disciplinary action.

- 5.1.4. Any person exercising contract signature authority under this university policy, including any sub-delegate, is responsible and accountable for determining the following prior to committing the university:
 - a. The person is acting within the scope of the delegation and any actions taken are commensurate with his or her job duties and responsibilities;
 - b. The person is familiar with the laws and university standards and policies, including the university code of conduct, applicable to the transaction, and has determined that the transaction complies with those laws, standards, and policies;
 - c. The transaction meets a valid purpose of the university’s mission and has an appropriate business purpose;
 - d. There has been adequate disclosure of any actual or potential conflicts of interest;

- e. The transaction is charged to the correct project(s), there are adequate funds to cover the expense, and the funding source is appropriate for the expenditure;
 - f. Any foreseeable impact of the transaction on other units within the university has been identified. In the case of such impact the appropriate unit will be consulted prior to executing the agreement; and,
 - g. If a transaction includes a matter on the *List of Approval Authorities* in section 6.1, the signer must obtain written approval from the approving authority prior to exercising contract signature authority, as indicated.
- 5.1.5. Persons in an interim or acting capacity for a position have the contract signature authority of that position. They relinquish the contract signature authority of a position upon leaving that position.

5.2. Sub-delegation of Contract Signature Authority

- 5.2.1. Employees holding contract signature authority may further delegate that authority through a sub-delegation. Unless otherwise specified, sub-delegations are made to a position, not to the individual holding that position, and the authority remains sub-delegated to a position until revoked or modified.
- 5.2.2. In sub-delegating contract signature authority, the delegator:
- a. Is responsible for maintaining proper control and management of their area.
 - b. Is accountable for all actions taken by the sub-delegate.
 - c. Must take into account and maintain appropriate internal controls including separation of duties, reviewing reports, sampling completed transactions, and monitoring the effectiveness of the controls established.
 - d. Must consider whether to limit the specific sub-delegation based on the description of the position to which the sub-delegation is made.
- 5.2.3. Any sub-delegation made under this section must:
- a. Be done in writing in the format provided.
 - b. Specify the name and official title for the individual position.
 - c. Be effective only while the person is a university employee.
 - d. Define explicitly the authority delegated, including that such delegation is subject to the requirements of this university policy.

- e. If the sub-delegation is temporary or limited, it must define explicitly the time and circumstances when the delegated authority may be exercised. Individuals signing under the temporary sub-delegation must indicate they are signing on behalf of the delegator.
- 5.2.4. A sub-delegation is not effective unless and until a copy of the delegation is provided to the Division of Finance & Administration (see Sec. 11).
- 5.2.5. When a sub-delegation is revoked or modified, it is the responsibility of the delegator to immediately notify the Division of Finance & Administration (see Sec. 11).

6. Forms & Tools

- 6.1. **List of Approval Authorities.** If a transaction includes a matter on the List of Approval Authorities, below, the signer must obtain written approval from the approving authority prior to exercising contract signature authority.

Contract Issue	Approval Authority
Exclusive grant or license of OSU-branded marks, trademarks or logos	Vice President for University Relations and Marketing
Exclusive grant or license of any university intellectual property other than OSU-branded marks, trademarks or logos	Associate Vice President for Research, Innovation & Economic Impact
HIPAA business associate clauses (university agrees to be a business associate or another entity agrees to be a business associate of university)	Vice Provost for Information and Technology
Debt instruments, financing agreements, financing leases, pledges, mortgages, private business use	Treasury Director
Sale or acquisition of real property over \$5 million; condemnation of real property	Board of Trustees

Acquisition or disposal of real property \$5 million and under; right to use or lease real property for more than 30 days; soliciting or hiring of real estate brokerage services	Director of Leasing and Strategic Real Property Management
Construction-related services over \$5 million	Board of Trustees
Construction-related services \$5 million and under	Procurement, Contracts and Materials Management Director and Chief Procurement Officer
Financial asset investments	Treasury Director
Any type of agreement for the acquisition of goods or services other than legal or audit services	Procurement Contracts and Materials Management Director and Chief Procurement Officer
Any type of agreement for the disposal of university owned goods	Procurement Contracts and Materials Management Director and Chief Procurement Officer
Settlement Agreements outside the scope of contracts for goods and services	Vice President for Finance and Administration
Export Control when either of the following are present: a. A party to the agreement is an international entity or person, or b. The agreement relates to goods or services that are subject to the International Trade in Arms Regulations or the Export Administration Regulations	Vice President for Research
Any type of audit services	Chief Audit, Risk, and Compliance Officer

Insurance applications, claims and policies	Director of Insurance and Risk Management Services
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7. Frequently Asked Questions

7.1. None.

8. Related Information

8.1. None.

9. History

9.1. Adopted by OSU: June 5, 2020.

9.2. Last review date: June 5, 2020.

9.3. Next scheduled review date: June, 2023.

10. Website

10.1 University Policy 03-001 *Contract Signature Authority*:
http://policy.oregonstate.edu/UPSM/03-001_contract_signature_authority

11. Contacts

Department	Phone Number	Website
Controller's Office	541-737-8827	https://fa.oregonstate.edu/controllers-office