

Approval Date: March 15, 2005

Parent Policy: [Contract Review and Signing Authority Policy](#)

## Sub-Delegation of Contract Signing Authority Procedure

<b>Parent Policy:</b>	Contract Review and Signing Authority
<b>Office of Administrative Responsibility:</b>	General Counsel
<b>Approver:</b>	EPC

### Overview

All University employees acting on behalf of the University of Alberta share in the overall responsibility for the sound stewardship of financial resources and assets and each employee has a personal responsibility to understand and comply with the University's policies, control procedures and operating systems.

### Purpose

To state the process by which **contract** signing authority can be sub-delegated and to ensure certain criteria with respect to sub-delegation are known and adhered to.

### PROCEDURE

Those individuals who have been delegated contract signing authority by the **Board**, as set out in Schedule "A" to the Contract Review and Signing Authority Policy, may sub-delegate to appropriate positions the authority to sign contracts on behalf of the University in accordance with this procedure and subject to such terms and conditions deemed appropriate by the individual delegating the signing authority. This sub-delegation can be either a **temporary sub-delegation** or a **permanent sub-delegation**.

The person holding the position that receives the sub-delegation cannot further delegate the signing authority.

Sub-delegation of authority must meet the following criteria to be deemed valid and appropriate:

- The sub-delegation will enhance the effectiveness and efficiency of operations without risking the integrity of internal controls necessary for accountability;
- The sub-delegation must be to a position (or positions), as opposed to an identified person;
- The sub-delegation can only be made to a position filled by an **employee** of the University who requires such sub-delegation to efficiently and effectively carry out his/her responsibilities and who has the expertise to use the sub-delegated authority appropriately and knowledgeably.
- The sub-delegation must be in writing in the form attached as Schedule "B" to this Procedure;
- Any expenditure commitment must normally be part of an approved budget and shall not exceed the unexpended amount of the budget;
- The authorized dollar amounts as outlined in Schedule "A" to the Policy shall not be exceeded;
- There is a process in place to ensure monitoring and periodic review/audit of the sub-delegated responsibility;
- The written sub-delegation must be maintained by the delegating authority's office, so that, at any given time, that office can identify who currently has signing authority.
- In circumstances where there are legally regulated requirements on who is authorized to sign certain types of contracts (for example, contracts for prescription drugs), sub-delegation must be made to an employee that has the legal ability to sign such a contract.
- A person can only sub-delegate authority that has been delegated to his/her position by the Board.

No person may sign any document that creates an obligation or undertaking on behalf of the University unless the individual has signing authority in accordance with this Policy.

Any individual who is in an acting position (such as Acting Dean or Acting Chair) shall have the same signing authority as the person on whose behalf he/she is acting.

The person that has been delegated signing authority from the Board will remain ultimately responsible for any contract executed by his/her delegate and retains the authority to sign the contract even though he/she has sub-delegated that power to another position.

Persons with signing authority have the responsibility to assure themselves:

- That the University is able to meet its obligation under the contract;
- That the contract is compliant with the laws of Alberta and Canada (and/or other jurisdiction, if the contract is governed by the laws of a jurisdiction other than Alberta or Canada);
- That the appropriate level and types of reviews and approvals have been obtained for the contract and that appropriate risk mitigation plans are operational in the management of any identified significant risk;
- That intellectual property matters in accordance with University of Alberta's policies have been properly considered;
- That the contract is consistent with the University's mandate, current academic plan, budget, collective agreements, business plan, and policies and procedures;
- That the contract meets the requirement of any applicable funding agency requirements; and
- That the Vice-President (Finance and Administration) has been advised if the expenditure under the contract is greater than \$1,000,000.

## **DEFINITIONS**

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [[▲Top](#)]

<b>Contract</b>	Any document that creates a legally binding commitment, and includes letters of intent and memoranda of agreement.
<b>Board</b>	The Governors of the University of Alberta
<b>Temporary sub-delegation</b>	Delegates authority for a specific time period by assigning a specific start and end date for the signing authority.
<b>Permanent sub-delegation</b>	Delegates authority to an individual who is required to authorize on behalf of another from time to time. It continues indefinitely until it is revoked or until the sub-delegated employee leaves his/her position.
<b>Employee</b>	An individual employed by the University of Alberta as a member of the Academic Staff or Non Academic Staff. Employee does not include independent contractors, students, Post-Doctoral Fellows, Professors Emeriti and other individuals who are not employed by the University.

## **FORMS**

Should a link fail, please contact [uappol@ualberta.ca](mailto:uappol@ualberta.ca). [[▲Top](#)]

[Schedule B – Memorandum of Delegation of Contract Signing Authority](#)

## **RELATED LINKS**

Should a link fail, please contact [uappol@ualberta.ca](mailto:uappol@ualberta.ca). [[▲Top](#)]

[Schedule "A" – Signing Authority for Contractual Obligations on Behalf of the Board of Governors of the University of Alberta](#) (University of Alberta)