



## **Signature Authority Policy**

### **Objective and Scope**

This policy provides guidelines for the appropriate delegation of signature and approval authority for all contracts entered into by Wabash College. The proper authority for execution of binding contracts, grants, and memoranda of understanding with external entities is mandatory to minimize financial, legal, operational, compliance-related risks for the benefit of the College.

The signature authority policy identifies minimum review and approval processes, but does not relieve any academic or administrative department from ensuring that any unusual or unique agreements are properly reviewed and authorized by appropriate levels of College administration.

This policy applies to all Wabash College employees (e.g., staff, faculty, administrative officers, and student employees), whether full-time or part-time, and students overseeing budgets. Independent contractors and consultants do not have the authority to bind the institution. An employee who signs a contractual or grant commitment that he or she is not authorized to sign can be held personally liable for the commitment.

### **Policy Overview**

Given the extensive variety of contracts required in the course of normal College business, determination of appropriate signature authority and related requirements can be complex. All College employees should be aware that the authority to execute contracts depends on the nature and complexity of the agreement, appropriate consultation with other offices that might be affected by the agreement, and appropriate signature authority.

The broad categories of contracts below are governed by this policy, and are summarized below:

- Service Agreements and Contracts
- Procurement
- Research Grants and Sponsored Programs
- International Agreements, Contracts, and Memoranda of Understanding
- Charitable Contributions, Marketing, and Sponsorship Agreements
- Government Funded Financial Aid
- Athletics and Wellness-Related Agreements

This policy is supplemented by those procedures and accompanying forms specific to the nature of the activity; e.g. charitable contribution agreements are subject to the policies and procedures of the College Advancement Office.

### **Delegation of Authority**

The Board has delegated transaction authority to the President (Gregory Hess), Chief Financial Officer (Kendra Cooks), and Director of Business Auxiliaries (Tom Keedy) to approve any transaction that does not specifically require Board action. The President has the authority to designate in writing other individuals to sign on behalf of the College. Copies of the signed authorization are kept in the Business Office.

All individuals with signature authority must complete adequate review of proposed transactions before committing the College. Additionally, these individuals are responsible for determining whether:

- The transaction complies with all applicable laws, College policies and procedures, as well as sponsor, donor, or any other restrictions.
- The resources (funding, personnel, facilities, and space) required to fulfill the contractual or grant commitment have been budgeted and are available. If resources are not available, the individual responsible for generating the contract must ensure through the appropriate level (President or Dean) that resources will be made available.
- An assessment has been made of the likely impact of the transaction on other offices or individuals at the College, and appropriate consultation has taken place with constituencies that might be involved in the transaction or contract.
- Any real or apparent conflict of interest exists on the part of the individual or organization involved in a transaction, as provided by the College's Conflict of Interest and Related Party Transactions policies (on file in the Business Office). Where such a conflict exists, the individual must declare and/or resolve the issue before entering into the transaction or contract.