
APPROVAL AUTHORITY POLICY

Category: Administration and Governance
Responsible Office: Associate Vice President and Controller
Responsible Executive: Vice President for Finance and Administration

Date Established: 10/16/08
Date Last Revised: 01/25/19

Summary

This policy provides guidance on the delegation and assignment of authority to approve transactions; identifies the circumstances under which approvals are required by the president, provost, vice-presidents and The Research Foundation operations manager; and requires that transactions requesting payment to an individual with approval authority be approved by the next higher level of authority.

Policy

POLICY STATEMENT

Only authorized individuals have the authority to obligate the University at Buffalo (UB, university) to receive or spend funds, provide or receive services, or otherwise commit its resources. Given the highly decentralized environment at UB, approvers play a critical role in ensuring that only appropriate activities occur. Those with approval authority are expected to exercise sound judgement in evaluating reasonableness of transactions in consideration of the scrutiny that is applied to our stewardship as a public university.

Transactions requesting payment to an individual, or that benefit an individual with approval authority, require approval by the next higher level of authority. No approver may authorize a payment to oneself or benefitting oneself, including but not limited to, personnel transactions, employee expenditure reimbursements, procurement card transactions, and travel or entertainment expenditures. This practice promotes accountability and helps to ensure the appropriate use of the university's resources.

Dual Signature Authority

To ensure good internal control, certain financial transactions, such as travel and expense reimbursement, will be required to be both authorized and approved. The authorizer will be the employee's supervisor, as maintained by Human Resources, the approver is assigned based on the cost account charged in the transaction. There may be some instances where the supervisor and the cost approver are the same person. It is especially important that, in these cases, approvers act with personal integrity.

Delegation of Authority

The State University of New York (SUNY) Board of Trustees and the Research Foundation (RF) Board of Directors have vested authority in the president, provost, and RF operations manager to contractually bind and commit the resources of the university. Each of these positions is authorized to delegate authority as deemed necessary to improve operational efficiency. While approval authority may be delegated, accountability to safeguard the assets of

the institution continues to lie with the original approver and all levels of subsequent delegation down to, and including, the final delegate. Without exception, the following delegation requirements must be followed:

- Delegations should align with the customary chain of decision-making at the university, while applying best practices and internal controls
- Delegations must be pertinent to the duties and responsibilities of the delegate
- Delegators may grant signature authorities only to a person within the delegator's area of managerial control, and the authorities must be granted and exercised consistent with the terms and conditions of the original delegation
- The delegate must have sufficient competency in the subject matter to verify accuracy, allowability, consistency with policy, and support of the university mission
- Transactional delegations must not exceed an amount appropriate for the position held by the delegate
- In the event of delegate turnover, delegated responsibilities must be re-delegated, not assumed by the employee replacing the original delegate

Delegations of approval authority must be documented, recertified annually, maintained in the departmental files, and a copy provided to the university business office charged with oversight of the transaction (e.g., Human Resources, Financial Management, Sponsored Projects Services). A delegation of approval authority also may grant further delegation authority provided that the person to whom approval authority is delegated has the right to further delegate his or her approval authority and further delegation does not violate the requirements outlined above. The initial delegation document must include language that allows further delegation authority by the delegate.

Delegations of approval authority may be indefinite or for a limited period of time, as so specified in the document granting the delegation, but in any case will automatically terminate if the original approver either ceases to be employed or engaged by the university or ceases to hold the position specified in the delegation or a position that includes the duties contemplated by the delegation.

Each authorized person is responsible for ensuring that he or she has the appropriate approval authority to approve a transaction, and that such approval and the transaction itself complies with other policies of the university and of the applicable school, college, or unit.

Segregation of Duties

Adequate segregation of duties is important for effective internal control. Segregation of duties provides necessary checks and balances to detect errors, deter fraud, and prevent concealment of irregularities.

In general, the approval, reconciliation, and record keeping functions should be separated among employees. When these functions cannot be separated, a detailed review of related activities is required either by a supervisor or the regulating office as a compensating control activity. Some examples of segregation of duties are:

- The person who initiates the purchase of goods or services should not be able to authorize payments
- The person who maintains and reconciles accounting reports should not be able to authorize purchases or payments

- The person who receives cash should not be the person who deposits cash or reconciles the account

To the extent that these controls are not realistic due to the size or expertise within a unit, best efforts should be made to develop and maintain other preventative or detective controls. The Director of Business Compliance and Internal Controls is available for consultation on the development of such controls.

Human Resource Transaction Approval Requirements

All contracts, documents, decisions made regarding the university's human resources, organizational development and human relations must be in compliance with all human resource policies and procedures and must have available funding within an approved budget.

The following charts list the transactions which (a) statutorily require the signature of the president, and (b) other transactions that the president deems appropriate to review; therefore, signature by the appropriate provost, vice president, or RF operations manager is also required. All other transactions may be delegated as the provost or vice president deems appropriate following the customary chain of decision-making, maintaining good internal controls, documenting the delegations, and providing copies to the appropriate university business office. Human Resource transactions requiring provost or president approval are documented in the tables below.

APPOINTMENTS, REAPPOINTMENTS, AND PROMOTIONS	Provost or Vice President (non-academic)	President
Appointments and promotions to titles of Distinguished Professor, Distinguished Teaching Professor, Distinguished Service Professor	Yes	Yes
Appointments, reappointments, and promotions to endowed chairs and named professorships (state and UBF appointments)	Yes	Yes
Appointments, reappointments, and promotions of Vice president's (State, RF and UBF)	No	Yes
Appointments and promotions of faculty with tenure (UP-3)	Yes	Yes
Permanent appointments for professional staff (UP-3)	Yes	Yes
All appointments and promotions with a salary above the salary maximum for the grade or rank	Provost and President required	
Appointments and promotions for administrative staff for the rank of MP1, MP2, and MP3	Provost and President required	

LEAVES	Provost or Vice President (non-academic)	President
All applications requesting Title E (sabbatical) or Title F leaves	Yes	Yes
Presidential sick leave (Title C.5 Additional Sick Leave) at full pay, partial pay, or without pay; i.e., once sick leave accruals have been exhausted or, if combined use of accruals and additional sick leave granted exceeds six months at partial or full pay or one year without pay	Yes	Yes

SALARY CHANGES AND ADDITIONAL COMPENSATION	Provost or Vice President (non-academic)	President
All base State and UBF funded salary increases for faculty and professional staff, including also receives and temporary increases over 10% of base salary, and all chair stipends. A salary increase through a recruitment exception or posting of a new position does not need approval.	Yes	Yes
All State salary increases with a new salary above the maximum for the grade or rank	Yes	Yes
All salary changes for administrative staff at the rank of MP1, MP2, or MP3	Yes	Yes
Requests for extra service compensation (State, RF, and UBF funded) for persons with official state titles of Vice President, Dean, or Director who report directly to the Provost (UP-8 for UUP academic and professional employees). Advance approval from the Chancellor is required for extra service payments to Management Confidential (M/C) employees (UP-6 for M/C professional employees)	Yes	Yes

OTHER HUMAN RESOURCE TRANSACTIONS	Provost or Vice President (non-academic)	President
Time and attendance records and requests for individuals with the titles of Dean, Director, Vice Provost, or Vice President reporting directly to the president, provost, vice presidents	Yes	Direct Reports Only
Request for reclassification of lines for all administrative positions for the rank of MP1, MP2, or MP3	Yes	Yes
UP 211 for the rehiring of retired state employees	Yes	Yes
Request for reclassification of lines for all administrative positions (non-faculty) within the provost's or vice presidents' office require the approval of the next level of authority	Provost, Vice President, or President required	
Review of proposed department chair appointments and reappointments, including draft letters to the appointee from the dean or vice president	Yes	No

Purchasing Approval Requirements

Purchasing goods and services without authorization is in violation of this policy. Authorization to buy goods and services on behalf of the university is restricted to Procurement staff and select pre-authorized departmental staff. Further information regarding pre-authorization can be found on the Administrative Services Gateway under the Managing Procurement section. While the initiation and approval of eRequisitions may be signed by the authorized signatory on the account to be charged, all purchase orders must be issued through the Procurement department.

No member of the university may sign or otherwise execute a procurement contract that binds the university unless he or she has been delegated signature authority. Signature authority must be documented in writing and on file as set forth in this policy. Contracts signed by employees without documented signature authority may be deemed void. In such circumstances these individuals may be personally liable for the obligations assumed under such contracts and may be subject to disciplinary action.

CONTRACTS AND SERVICE AGREEMENTS	
Procurement	
Procurement Type	Approval Requirements
All State, UBF and RF procurement and revenue contracts, leases, and permits	All procurement contracts require review and approval by appropriate procurement personnel or the Executive Director, UBF. Procurement contracts signed outside the procurement office legally obligate the individuals signing the contract as they are not authorized to represent UB.
Non-Procurement	
Contract or Agreement Type	Approval Requirements
All Non-Procurement Research Foundation Contracts	Vice President for Finance and Administration (VPFA)
	Vice President for Research and Economic Development (VPRED)
RF Intellectual property-related contracts only	VPRED
	Associate Vice President, Sponsored Programs
	Director, Technology Transfer
UBF Non-Procurement Contracts	Executive Director, UBF
HIPAA Business Associate Contracts	Director of HIPAA Compliance
	Executive Director, UBF (for UBF agreements only)
RF Facility Use Agreements	Executive Director, UBF (for Baird Research Park)
	Vice President for Health Sciences (for CTRC)
	Assistant Vice President Procurement Services (all others)

Facilities Transactions

Facilities Requests/Transactions	Approval Requirements
Renovation Requests	All approvals are required in the order listed: <input type="checkbox"/> FPMO <input type="checkbox"/> Unit Business Officer <input type="checkbox"/> Dean, Vice President, Vice Provost, or Athletic Director (over \$1M)
Space Request Form	All approvals are required in the order listed: <input type="checkbox"/> Facilities Planning and Management Officer
State and RF Facilities construction and consultant contracts only	Associate Vice President for Facilities

Required Approvals for UB Funded Construction Projects

SCOPE (Budget) signatures required at the completion of Planning and Programming (Scope) in order to move to Design Phase	Unit including Campus Financial Plan Funded			Central University Funded
Threshold	<\$250,000	\$250,000-\$1,000,000	>\$1,000,000	Any Amount
Unit Business Officer	Yes	Yes	Yes	Yes
Project Coordinator	Yes	Yes	Yes	Yes
Resource Planning	Yes	Yes	Yes	Yes
Associate VP Facilities*	No	Yes	Yes	Yes
VPFA	No	No	Yes	Yes
School or Unit Dean or VP	No	No	Yes	Yes
* If AVP Facilities is not available, the VPFA may approve				

COST QUOTE signatures required at the completion of Design (Cost Quote) in order to move to Construction	United Funded cost quote <Scope Estimate+10 %	Unit including Campus Financial Plan Funded Cost Quote >Scope Estimate +10%			Central University Funded
Threshold	Any Amount	<\$250,000	\$250,000-\$1,000,000	>\$1,000,000	Any Amount
Unit Business Officer	Yes	Yes	Yes	Yes	Yes
Project Coordinator	Yes	Yes	Yes	Yes	Yes
Resource Planning	No	Yes	Yes	Yes	Yes
Associate VP Facilities*	No	No	Yes	Yes	Yes
VPFA	No	No	No	Yes	Yes
School or Unit Dean or VP	No	No	No	Yes	Yes
* If AVP Facilities is not available, the VPFA may approve.					

CHANGE ORDER (C.O.) signatures required during construction when client adds scope to the project	Unit Funded cumulative value of all change orders <10% of Cost Quote	Unit including Campus Financial Plan Funded cumulative value of all change orders >10% of Cost Quotation			Central University Funded
Threshold	Any Amount	<\$250,000	\$250,000-\$1,000,000	>\$1,000,000	Any Amount
Unit Business Officer	Yes	Yes	Yes	Yes	Yes
Project Coordinator	Yes	Yes	Yes	Yes	Yes
Resource Planning	No	Yes	Yes	Yes	Yes
Associate VP Facilities*	No	No	Yes	Yes	Yes
VPF A	No	No	No	Yes	Yes
School or Unit Dean or VP	No	No	No	Yes	Yes
* If AVP Facilities is not available, the VPFA may approve.					

ADVANCED WORK signatures required to advance work before scope and/or estimate is completed (this may include long lead items, consultants, abatement contracts, etc.)	Unit including Campus Financial Plan Funded			Central University Funded
Threshold	<\$250,000	\$250,000-\$1,000,000	>\$1,000,000	Any Amount
Unit Business Officer	Yes	Yes	Yes	Yes
Project Coordinator	Yes	Yes	Yes	Yes
Resource Planning	Yes	Yes	Yes	Yes
Associate VP Facilities*	No	Yes	Yes	Yes
VPFA	No	No	Yes	Yes
School or Unit Dean or VP	No	No	Yes	Yes
* If AVP Facilities is not available, the VPFA may approve				

OTHER UNIVERSITY TRANSACTION APPROVAL REQUIREMENTS

OTHER TRANSACTIONS	APPROVER
Annual RF salary plan	RF Operations Manager
New and revised university policies	President
Service center and departmental fees- Academic fees	Provost
Service center and departmental fees- Non Academic	Controller
Travel and Expense Reimbursements	Direct Supervisor and Unit Cost Approver
Establishment of 501(c)(3)	VPFA
Externally Funded Academic Programs Outside the United States	Provost
International Exchange Agreements	President
Study Abroad and International Experiential Learning Programs	Vice Provost for International Education
RF funded travel to any country identified by the US Department of State with a travel warning (requires advance written approval from the RF operations manager and president, with written notice to RF Central)	RF Operations Manager

Background

The university enters into and executes many decisions which obligate university resources. A sound internal control environment requires that only authorized individuals or their designees approve those decisions. Internal controls help to enforce decisions that are:

- Legitimate, appropriate, and allowable
- Executed in accordance with university policy and relevant financial, legal, and contractual requirements
- Are factually and mathematically accurate

Applicability

This policy applies to all university accounts and funding entities including all State, Research Foundation, and University at Buffalo Foundation (UBF) accounts.

Definitions

Approval Authority – permission to approve transactions for execution. This approval attests to the accuracy, validity, and appropriateness of the transaction within the university's program objectives and budgetary authorizations. Transaction approval may be performed electronically, in accordance with system requirements, or manually with a handwritten signature.

Conflict of Interest - Any relationship or activity that has the potential to compromise or bias, or appears to compromise or bias, a person's professional judgment or ability to make objective and fair employment, academic, or procurement decisions. A conflict of interest may exist when an independent observer might reasonably question whether an individual's professional actions or decisions are determined by considerations of family, personal, or romantic relationships.

Endowed Chair – an academic position of the highest faculty honor supported by earnings from invested funds.

Exception Approval – the approval required when hiring an individual under the specific situations for which an affirmative action search is not required.

Internal Control – the integration of the activities, plans, attitudes, policies, and efforts of the people of a department working together to provide reasonable assurance that the department will achieve its mission.

Lease - an agreement conveying the right to use property or equipment for a stated period of time.

Procurement Contract – Agreement in which UB acquires goods or services from a supplier in exchange for consideration. The agreement terms and conditions that outline parties' responsibilities must be in compliance with the laws of the State of New York and must follow the applicable rules and regulations of the selected funding source.

Responsibility

Approver

- Execute the delegated authority within the limitations of their duties and this policy.
- Verify the transaction complies with university policies; and federal, state, and local laws.
- Assess the impact of the transaction on other aspects of the university and the broader community, when appropriate; consult with any constituencies who might be impacted.
- Confirm that funds have been allocated or are otherwise available within regularly approved budgets, special appropriations, or restricted or designated accounts.

- Ensure that there is no real or apparent conflict of interest on any individual or organization involved in the transaction.
- Resolve a real or apparent conflict of interest prior to processing the transaction.

Delegator

- Communicate delegations of authority to delegates in writing.
- Review delegations annually to ensure they are up-to-date, achieving ongoing consistency and alignment between management authority, responsibility, and accountability and making adjustments as appropriate.
- Provide delegates with sufficient training to enable them to carry out their responsibilities and respective authorities effectively.

Vice Provost, Vice Presidents and Deans

- Responsible for overall operations of their units.
- Delegate approval authority as necessary and appropriate.
- Determine that all actions requiring the approval of the provost also include the approval of the appropriate vice provost, vice president, or dean.

President, Provost

- Delegate approval authority as necessary and appropriate.
- Provide the business office with oversight of the transaction the most current listing of delegations.
- Notify or obtain approval from the Chancellor for personnel transactions when required by the Board of Trustees policy.

Contact Information

Contact	Phone	Email
Beth Corry, Associate Vice President and Controller	716-645-2505	bcorry@buffalo.edu
Tonga Pham, Associate Vice President for University Facilities	716-645-5265	tongapha@buffalo.edu
Mark Coldren, Associate Vice President Human Resources	716-645-7777	mcoldren@buffalo.edu

Related Information

University Links

Managing Procurement

<http://www.buffalo.edu/administrative-services/managing-procurement.html>

Related Links

State University of New York Policy, Administration of Sabbatical Leaves, Document 1006
http://www.suny.edu/sunypp/documents.cfm?doc_id=35

State University of New York Policy, Extra Service for Professional Staff, Document 8800
<http://www.buffalo.edu/administrative-services/policy1/ub-policy-lib/extra-service-professional-staff-suny.html>

State University of New York Board of Trustees Policy
<https://www.suny.edu/about/leadership/board-of-trustees/>

Revision History

- December 2009 - Revised to add additional sections to the Approval Authority chart.
- February 2010 - Clarification added to Approval Authority charts UB Jobs Approval Requirements and Authorization To Sign Contracts Obligating University Resources.
- November 2011 - Updated Office of Equity, Diversity and Affirmative Action Administration (EDAAA) department name to reflect the current name of: Office of Equity, Diversity and Inclusion (EDI).
- February 2012 - Clarification of requirements for payments benefitting oneself, documentation of delegations, updates to Approval Authority Charts.
- January 2019 - Full review. Updated the policy to:
- Add requirements for dual signature authority
 - Strengthen the requirements for delegation of authority
 - Add responsibilities for the delegator
 - Add purchasing approval requirements
 - Add approval requirements for UB funded construction projects

Presidential Approval

Satish K. Tripathi

Satish K. Tripathi, President

3/2/12

Date