

# New York University

## UNIVERSITY POLICIES

<b>Title:</b>	Signature Authority Policy
<b>Effective Date:</b>	July 10, 2017
<b>Supersedes:</b>	NYU Signature Authority Policy, October 10, 2012
<b>Issuing Authority:</b>	Board of Trustees
<b>Responsible Officers:</b>	Chief Financial Officer General Counsel Treasurer

### **Policy**

It is the policy of New York University (the “University”) that appropriate internal controls and accepted best practices be utilized in the approval of Transactions that bind NYU.

### **Purpose of this Policy**

Entering into Transactions can create legally binding obligations and affect NYU’s financial control environment. The purpose of this policy is to promote the University’s internal control environment through specifying the persons who are Authorized to approve a Transaction, the criteria for delegating Approval Authority, and the limitations on Approval Authority.

### **Scope of this Policy**

This policy applies to any member of the University Community who seeks to approve a Transaction. This policy does not apply to externally sponsored agreements that are governed by the Sponsored Programs Administration Handbook and administered by the Office of Sponsored Programs and Post Award Administration. The Chief Financial Officer of the University (the “CFO”) may exempt University Affiliates and divisions from this policy where the CFO agrees it is appropriate, including that the CFO is satisfied that the policies and/or procedures governing Approval Authority of any such University Affiliate or division are prudent. The University Affiliates and divisions shown on Exhibit I to this policy have been exempted from this policy by the CFO. Exhibit I will be updated by the CFO as the CFO adds or removes University Affiliates and divisions from exemption.

All existing delegations of Approval Authority not otherwise revoked will be deemed revoked as of the effective date of this policy. Any action taken under a proper delegation in effect at the time of the action will not be invalidated because of the subsequent issuance of this policy. All delegations of Approval Authority and Delegation Authority made on or after the effective date of this policy must be made in accordance with this policy.

## Policy Definitions

As used in this policy, the following terms have the meanings specified below:

**“Approval Authority”** means the authority to approve a Transaction, including sending any written communication or signing any document, instrument, or agreement relating to such Transaction that may be binding on NYU.

**“Authorized”** means, with respect to a Transaction, that a person has been granted the authority in accordance with this policy to approve such Transaction (and sign the related documents, instruments or agreements, where applicable) and obligate NYU in respect of the amount in question (where applicable), and to charge the relevant NYU cost center for such amount.

**“Delegation Authority”** means the authority to grant Approval Authority for a Transaction to another person.

**“NYU”** means the University and all University Affiliates, and includes the schools, colleges, institutes, and other administrative units of the University, all University Affiliates, and the Global Network University sites, as such terms are defined in the Policy on Policies.

**“Transaction”** means a commitment by NYU involving the exchange of money or property, an obligation to perform services requiring payment or use of NYU resources, or the assumption of a liability (e.g., indebtedness) or potential liability, currently or in the future (e.g., NYU agreeing to indemnify another party).

**“University Affiliate”** means each of those entities controlled, directly or indirectly, by the University through (a) ownership of more than 50% of the ownership interests in the entity or (b) the power to appoint or elect a majority of the entity’s governing body (e.g., directors or trustees).

**“University Community”** means all NYU faculty, including visiting faculty; researchers, including persons participating in research at or under the auspices of NYU; employees; professional staff, including medical, dental, and nursing staff; volunteers; fellows, trainees, and post-doctoral appointees; students; and consultants, vendors, and contractors.

## Procedures for Implementation

### I. AUTHORIZED PERSONS AND APPROVAL LEVELS

- A. All Transactions must be approved by an Authorized person in accordance with this policy unless otherwise Authorized by the Board of Trustees of the University (or its Executive Committee).
- B. Each Authorized person is designated as Level 1, Level 2, Level 3, Level 4, or Level 5, as follows:

Level 1: President of the University (“President”)  
Provost of the University

The Executive Vice President of the University (“The Executive Vice President”)  
Executive Vice President for Health of the University (“EVP for Health”)  
Secretary and General Counsel of the University (“General Counsel”)  
CFO  
Executive Vice President for Operations of the University (“EVP for Operations”)

Level 2: Senior Vice Provosts  
Vice Provosts  
School Deans  
Senior Vice Presidents  
Vice Presidents  
Treasurer of the University (“Treasurer”)  
Vice Chancellors  
Persons delegated Approval Authority by Level 1 persons

Level 3: Persons delegated Approval Authority by Level 1 or 2 persons

Level 4: Persons delegated Approval Authority by Level 1, 2, or 3 persons

Level 5: Persons delegated Approval Authority by Level 1, 2, 3, or 4 persons

- C. Level 1 and Level 2 persons have the Approval Authority set forth in **Table A**. Level 1 persons may delegate such Approval Authority to any of the above levels of person; Level 2 persons may delegate such Approval Authority to persons who report directly or indirectly to them; in both cases, up to the maximum levels set forth in **Table A** based upon a person’s level.
- D. All delegations of Approval Authority must be expressly granted in writing. A delegation of Approval Authority also may grant Delegation Authority (i.e., provide that the person to whom Approval Authority is delegated has the right to further delegate his or her Approval Authority), provided that Delegation Authority by Level 2 and below persons is permitted only to persons who report directly or indirectly to the person delegating, such Approval Authority may not exceed the limitations set forth in **Table A** based upon the level of the person to whom such Approval Authority is delegated, and Level 5 persons are not authorized to grant Delegation Authority to any other person.
- E. Delegations of Approval Authority may be indefinite or for a limited period of time, as so specified in the writing granting the Approval Authority, but in any case will automatically terminate if the Authorized person either ceases to be employed or engaged by NYU or ceases to hold the position specified in the delegation or a position that includes the duties contemplated by the delegation.
- F. During an Authorized person’s absence there may be insufficient Authorized persons available to conduct necessary business. It is important for Authorized persons and their supervisors to assure that there will be adequate coverage during such times (*e.g.*, a temporary delegation of Approval Authority may be appropriate).

- G. The CFO or the General Counsel may revoke the Approval Authority or Delegation Authority of any Level 2, 3, 4, or 5 person at any time. Persons of a higher level can revoke Approval Authority or Delegation Authority of any lower level person who reports directly or indirectly to them (*e.g.*, a Level 2 person can revoke the authority of a Level 3 person who reports directly or indirectly to that Level 2 person).
- H. **Table A** specifies limitations on Approval Authority based on a maximum dollar amount for types of Transactions depending on the level of the Authorized person. A person is not Authorized to approve Transactions involving amounts in excess of the threshold established for his or her level (or any lesser threshold amount that may be specified in the applicable written Delegation Authority). Where a Transaction is denominated in other than U.S. dollars, the exchange rate as established by the CFO effective for the fiscal year in which the Transaction is approved (known as the “Budget Rate”) will be utilized in determining whether the approval is within the Approval Authority. The CFO may from time to time designate a revised Budget Rate for a specific currency in unusual situations, such as where there is extraordinary inflation resulting in a substantial currency devaluation.
- I. There may be situations in which the Approval Authority and/or Delegation Authority established in **Table A** is further limited for certain persons or more generally by a unit. For example, a unit may decide to limit acquisitions Authorized by specific Level 3 persons or all Level 3 persons up to and including \$5,000 rather than \$25,000.
- J. Unique situations within units or departments may require limited or short-term exceptions to this policy. Exceptions, including the American Express Card Program, must be specifically stated and must be approved in advance in writing by the CFO or the General Counsel.
- K. The Academic and Administrative Fiscal Officers will serve as the Unit’s Delegation Steward.

## **II. APPROVAL PROCESSES AND ENFORCEMENT**

- A. 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, institute, operating unit, Global Network University site, or University Affiliate, including the following:
  - 1. All purchase requisitions must adhere to the policies and procedures of the Purchasing Department, available at <http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/purchasing-policies-and-procedures-manual.html>.
  - 2. All vendor payments must adhere to the policies on Business Expenses and Expense Reimbursement, available at <http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/financial-affairs.html>. This also applies to recurring payments made during the normal course of business (*e.g.*, payroll taxes and similar

withholdings, recurring lease payments established through Purchasing and student refunds).

3. All activities involving accounts with financial institutions also are governed by the Bank and Securities Account Policy, available at <http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/bank-and-securities-account-policy.html>.
  4. All activities involving investment of the combined endowment fund are also governed by the Combined Endowment Fund Investment Policy. All activities involving investment of working capital are also governed by the Working Capital Fund Investment Policy. All activities involving investment of pension funds also are governed by the Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy. The Combined Endowment Fund Investment Policy, the Working Capital Fund Investment Policy and the Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy are on file in the office of the CFO.
  5. All petty cash Transactions must adhere to the Petty Cash Funds Policy, available at <http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/petty-cash-funds-.html>.
- B. With respect to the policies set forth in Subsections A.1. through A.5. of this Section II, the applicable policy will govern to the extent there is any inconsistency between such policy and this policy.
  - C. Each Authorized person approving a Transaction must affix his or her own signature (physical or electronic, as permitted) to any documents that are required to be signed. Signing or affixing someone else's name is strictly prohibited except in special circumstances where permission is granted in writing for an express purpose by the person whose name is being affixed; provided, however, that a copy of the written permission must be submitted to the Office of the Controller of the University (the "Controller") prior to the delegated person affixing the signature of the delegator to any document.
  - D. Each NYU school, college, institute, operating unit, Global Network University site, or University Affiliate is responsible for ensuring that the persons under its auspices comply with this policy and the terms of any delegation of authority given to them, including the limitations set out in **Table A** and any special restrictions specified in a particular delegation.
  - E. Where the University or a University Affiliate provides Transaction-related services to another University Affiliate, the policies and/or procedures of the former in approving the Transactions will apply, unless otherwise agreed in writing.
  - F. Please contact the Senior Director, Budget and Financial Planning at (212) 998-6143 for information on budget modifications.

### **III. MAINTENANCE OF MASTER LIST OF APPROVAL AUTHORITY AND DELEGATION AUTHORITY**

- A. Each school, college, institute, and other administrative unit of the University, each University Affiliate, and each Global Network University site is responsible for advising the Office of the Controller of each person under its auspices with Approval Authority and the authorizations granted to such person, including (i) the types of Transactions, (ii) the maximum approval amount for each type of Transaction, (iii) any other limits or specifications placed on such person's Approval Authority, (iv) the cost centers for which such person has Approval Authority, and (v) the extent to which such person has Delegation Authority; and for promptly notifying the Office of Controller of any changes to this Approval Authority.
- B. The Office of the Controller will maintain and make available a master list for each school, college, institute, operating unit, Global Network University site, and University Affiliate of each person under its auspices with Approval Authority and the authorizations granted to such person, including (i) the types of Transactions, (ii) the maximum approval amount for each type of Transaction, (iii) any other limits or specifications placed on such person's Approval Authority, (iv) the cost centers for which such person has Approval Authority, and (v) the extent to which such person has Delegation Authority.
- C. At least annually, the Office of the Controller will require each school, college, institute, operating unit, Global Network University site, and University Affiliate to certify that its master list of Approval Authority and Delegation Authority is complete and accurate.
- D. The Office of the CFO will annually review delegations of Approval Authority and Delegation Authority in effect in connection with budget meetings.

## Related Policies

- *Bank and Securities Account Policy*  
<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/bank-and-securities-account-policy.html>.
- *Business Expenses Policy*  
<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/business-expenses.html>
- *Combined Endowment Fund Investment Policy\**
- *Expense Reimbursement Policy*  
<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/expense-reimbursement.html>
- *Petty Cash Funds Policy*  
<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/petty-cash-funds-.html>
- *Purchasing Policies and Procedures Manual*  
<http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/purchasing-policies-and-procedures-manual.html>
- *Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy\**
- *Working Capital Fund Investment Policy\**

\* Policy is on file in the office of the CFO

**TABLE A**  
**APPROVAL AUTHORIZATION LEVELS (Note 1)**  
(dollar amounts denote authority up to and including the amount indicated)

	Notes	Level 1 (Note 2)	Level 2	Level 3	Level 4	Level 5
<b>Budget Modifications</b>						
Budget Modifications	Note 3	<i>As may be required for the general conduct of the business and financial affairs of the University</i>				
<b>Employment Matters</b>						
Offers of employment; employment agreements		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 4 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
<b>Facilities Management</b>						
Construction management expenditures	Note 5	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	No Approval Authority	No Approval Authority	No Approval Authority	No Approval Authority
Equipment rentals or purchases		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
<b>Financing Agreements</b>						
Bond issuances and credit facilities	Note 6	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 6 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
Other borrowings or incurring of debt obligations (including guarantees)	Note 6	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 6 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
<b>Investments</b>						
Fund subscriptions	Note 7	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 7 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority

	Notes	Level 1 (Note 2)	Level 2	Level 3	Level 4	Level 5
Commodities, derivatives and other financial product trades	Note 7	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 7 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
Other investments	Note 7	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 7 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
<b>Journal Entries</b>						
	Note 8					
<b>Lease Agreements</b>						
Facilities	Note 9	<i>As may be required for the general conduct of the business and financial affairs of the University</i>				
Equipment (other than financing agreements)	Note 10	<i>As may be required for the general conduct of the business and financial affairs of the University</i>				
<b>Payroll</b>						
Approving hours for payroll	Note 11					
<b>Petty Cash</b>						
Petty cash reimbursement for students	Note 12	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$500	\$200	\$100
Establishment of petty cash accounts	Note 12	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$500	\$200	\$100
Petty cash account replenishment	Note 12	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$500	\$200	\$100

	Notes	Level 1 (Note 2)	Level 2	Level 3	Level 4	Level 5
<b>Purchasing and Miscellaneous</b>						
Purchase requisitions		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
Purchase/change orders	<b>Note 13</b>	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
Contracts and agreements not otherwise listed (excluding externally sponsored agreements)	<b>Note 14</b>	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
<b>Research</b>						
Research and training agreements (including consulting agreements)	<b>Note 15</b>	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 15 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
Letters of credit used in connection with federal government research and training grants	<b>Note 16</b>	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>Only those persons described in Note 16 are authorized</i>	No Approval Authority	No Approval Authority	No Approval Authority
<b>Vendor payments</b>						
Purchase order invoices		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
Business payment forms		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
Payment to persons forms (includes payment to nonresidents)		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000

	Notes	Level 1 (Note 2)	Level 2	Level 3	Level 4	Level 5
Request for wire transfers		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
Employee expense reimbursements/travel advances		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
Payroll and benefits related payments		<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	\$100,000	\$25,000	\$5,000
<b>Other Transactions</b>						
Agreements not involving the transfer of money or assets	Note 17	<i>As may be required for the general conduct of the business and financial affairs of the University</i>	<i>As included in the authorized budget within the cost center to be charged</i>	No Approval Authority	No Approval Authority	No Approval Authority

**Note 1:** A multi-year agreement may be signed only if included in the most recent financial plan approved by the University Budget Office and may be signed only by a Level 1 or Level 2 person.

**Note 2:** Certain Transactions also require the approval of the Board of Trustees of the University.

**Note 3:** The approval hierarchy for budget modifications is established and maintained in the University's Budget Modification System, known as BudMod.

**Note 4:** In addition to Level 1 persons, Senior Vice Provosts, Vice Provosts, and School Deans are authorized to approve offers of employment and employment agreements that are included in the authorized budget within the cost center to be charged.

**Note 5:** Expenditures for approved capital projects may be processed and approved only by the EVP for Operations and his or her delegees.

**Note 6:** Approval Authority for financing Transactions (i.e., transactions relating to the incurrence of debt) is limited to the President, The Executive Vice President, the CFO, and the Treasurer. Certain financing Transactions also require the approval of the Board of Trustees of the University. Financing Transactions are approved and signed in accordance with the relevant Board Resolutions, where applicable, or by a Level 1 person pursuant to a transaction-specific authorization by a Level 1 person enumerated in this Note.

**Note 7:** In addition to Level 1 persons, the following individuals are authorized to sign, for and on behalf of the University, investment Transactions including fund subscriptions, commodities, derivatives, other financial product trades, and other investments:

- the Chief Investment Officer of the University, pursuant to the Combined Endowment Fund Investment Policy, and
- the Treasurer, pursuant to the Working Capital Fund Investment policy and the Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy.

**Note 8:** Journal entries over \$100,000 will be reviewed by the Office of the Controller. The approval hierarchy for journal entries is established and maintained in the University's Journal Entry Management System, known as JEMS.

**Note 9:** All lease and sale agreements involving real estate must first be reviewed and approved by the CFO or his/her designee with the exception of NYU School of Medicine leases, which must be reviewed and approved by the EVP for Health or his/her designee. Certain real estate Transactions also require the approval of the Board of Trustees of the University. Real estate Transactions are approved and signed in accordance with the relevant Board Resolutions, where applicable, or by a Level 1 person pursuant to a transaction-specific authorization by the relevant Level 1 person enumerated in this Note.

**Note 10:** All equipment leases must first be reviewed and approved by one of the EVP, the CFO, the Treasurer, or a designee of the EVP, CFO, or Treasurer.

**Note 11:** The approval hierarchy for time and attendance is established and maintained in the University's time and attendance system, known as myTime.

**Note 12:** The establishment of petty cash funds must be approved by the Office of the Controller.

**Note 13:** Only the Purchasing Department is authorized to issue Purchase Orders.

**Note 14:** All contracts that do not use the University's standard terms need to be approved by the Office of General Counsel. Contact the Office of General Counsel for standard contract templates. All insurance provisions that are not the University's standard terms must be approved by the Office of Insurance and Risk Management of the University. Contact the Office of Insurance and Risk Management for standard insurance provisions templates.

**Note 15:** In addition to Level 1 persons, the Treasurer, the Controller, and the Contract Officer of the University (the "Contract Officer") are authorized to sign, for and on behalf of the University, contracts, agreements, and bids involving research and training programs with federal, state, municipal, and private sponsors (including without limitation, such contracts, agreements or bids that contain provisions pursuant to which the University indemnifies third parties). Further, Level 1 persons and the Treasurer, the Controller, and the Contract Officer are authorized to certify and sign vouchers associated with the performance of work under such contracts, agreements and bids.

**Note 16:** In addition to Level 1 persons, the Treasurer, the Controller, and the Contract Officer are authorized to execute any and all payment vouchers issued against letters of credit established by the Federal Government in the name of the University with the Federal Reserve Bank of New York or with the Department of Treasury of the United States, via the Treasury Financial Communications System, in connection with the financing of Federal Government research training grants and training contracts and grants.

**Note 17:** Level 1 and 2 persons have Approval Authority and Delegation Authority for Transactions not otherwise specified in **Table A** that do not involve the transfer of money or assets but that create a potential legal obligation for NYU, such as an agreement to indemnify another person or to provide insurance coverage for the benefit of another person.

**EXHIBIT I**  
**UNIVERSITY AFFILIATES AND DIVISIONS EXEMPTED FROM POLICY**

The following University Affiliates and divisions have been exempted from this policy by the CFO based on the CFO agreeing that such exemption is appropriate, including that the CFO is satisfied that the policies and/or procedures governing Approval Authority of any such University Affiliate or division are prudent:

- International Art Fund;
- La Pietra Corporation;
- New York University in Abu Dhabi Corporation;
- New York University in France;
- New York University School of Law Foundation;
- Niu Da Education Information Consulting (Shanghai) Co. Ltd.;
- NYU in London;
- NYU Langone Medical Center (or its component parts: NYU Hospitals Center, its affiliates, and New York University School of Medicine);
- NYU in Tel Aviv, Ltd. (PBC);
- NYU Shanghai;
- NYU Tisch School of the Arts, Asia, Ltd.; and

This listing was last updated on: January 1st, 2014.