



## UNIVERSITY POLICY

<b>SUBJECT:</b>	LEGAL SERVICES	<b>TITLE:</b>	LEGAL COMMITMENT AUTHORITY		
<b>CATEGORY: Check One</b>	<b>Board of Trustees</b> <input checked="" type="checkbox"/>	<b>Presidential</b> <input type="checkbox"/>	<b>Functional</b> <input type="checkbox"/>	<b>School/Unit</b> <input type="checkbox"/>	
<b>Responsible Executive:</b>	President		<b>Responsible Office:</b>	Legal Management	
<b>CODING:</b>	00-01-90-05:00	<b>ADOPTED:</b>	07/01/87	<b>AMENDED:</b>	09/20/11
				<b>LAST REVIEWED:</b> 09/20/11	

**I. PURPOSE**

To specify authority to sign agreements, contracts and other documents which legally obligate the University.

**II. ACCOUNTABILITY**

The President in consultation with the University Chief Financial Officer shall ensure compliance with this policy. The Deans and Chief Executive Officers shall implement this policy.

**III. REFERENCES**

- A. Funding: Grants and Contract Proposals     [00-01-05-20:10](#)
- B. Purchasing Process                             [00-01-60-05:00](#)
- C. Contract Management                         [00-01-60-15:00](#)
- D. Clinical Affiliation Agreements             [00-01-90-10:00](#)
- E. Contract Management:                         [00-01-90-40:00](#)
- F. Corporate Integrity Agreement Between the Office of Inspector General of the Department of Health and Human Services and the University of Medicine and Dentistry of New Jersey, September 25, 2009. To the extent that the contract is a Focus Arrangement, the Focus Arrangement Database Policy and Focus Arrangement Approval Procedure must also be followed.

**IV. POLICY**

Guidelines:

The Board of Trustees, pursuant to N.J.S.A. 18A:64G-6(1), has the power and duty to enter into contracts and agreements and has in the ordinary conduct of the general business of the University delegated authority to sign agreements, contracts and other documents which legally obligate the University (see EXHIBIT). The Board of Trustees has approved the following delegations of its authority to commit the University to contracts and agreements:

1. Research grants, contracts, special programs contracts from governmental and private sources and documents which authorize the return or assignment of Intellectual Property rights to government entities or UMDNJ employees shall be executed by one of the following: the President, the Executive Vice President for Academic and Clinical Affairs, the University Chief Financial Officer, Senior Vice President for Administration, the Senior Vice President for Finance, or the Vice President for Finance and Treasurer
2. Research grants, contracts, special programs contracts from governmental and private sources and documents that do not relate, include or otherwise impact ownership, control, licensure or any other use or property rights of Intellectual Property shall be executed by one of the following: the President, the Executive Vice President for Academic and Clinical Affairs, the University Chief Financial Officer, Senior Vice President for Administration, the Senior Vice President for Finance, the Vice President for Finance and Treasurer, Vice President for Research, the Associate Vice President for Research and Regulatory Affairs, or the Research Deans of each of the Schools.
3. Confidential Disclosure Agreements relating to research, licensing agreements and material transfer agreements shall be signed by the Director of Technology Transfer and Business Development.
4. Agreements and contracts including appointment letters, between an individual faculty member and the University shall be signed by the appropriate Dean in accordance with the policies and by-laws approved by the Board of Trustees.
5. All clinical affiliation agreements must be drafted, approved and executed in accordance with University policy, Clinical Affiliation Agreements, 00-01-90-10:00. Educational Agreements and Memoranda of Understanding and shall be signed by the Dean and Executive Vice President for Academic and Clinical Affairs or Vice President for Academic Affairs.
6. Agreements for the procurement of architectural/engineering services, construction, and renovation services and the purchase or lease of real estate, and purchases resulting from the Waiver of Advertising, in excess of \$100,000.00 which have been recommended for approval to the Board of Trustees by the Finance Committee, shall be signed by one of the following: the President, Senior Vice President for Administration, University Chief Financial Officer, Senior Vice President for Finance, or the Vice President for Finance and Treasurer.
7. The President, Senior Vice President for Administration, University Chief Financial Officer, Senior Vice President for Finance, Vice President for Finance and Treasurer, and Vice President for Supply Chain Management shall execute contracts as defined in University policies Contract Management 00-01-60-15:00 or Purchasing Process, 00-01-60-05:00 as well as any related Business Associate Agreement to such contracts. Also included are Purchasing Contracts as defined herein, Group Purchasing Organization (GPO) Agreements, State Purchase Bureau Contracts, Contracts resulting from Waiver of Advertising less than \$100,000.00, and Contracts for Goods and Services less than the bid threshold. Purchasing Contracts consist of a Request for Proposal, the Proposal of the Successful Bidder and the Contract Term Sheet for procurement of goods, equipment, professional and technical services by UMDNJ.
8. Collective Bargaining Agreements shall be signed by the President or designee.
9. Business Associate Agreements for which there is an underlying agreement that has been executed in accordance with this policy shall be signed by the appropriate President/CEO of the Healthcare Unit, Senior Administrator of the faculty practice plan or the Dean.
10. All other agreements in the ordinary course of business shall be signed by one of the following: the President, Senior Vice President for Administration, University Chief Financial Officer, Senior Vice President for Finance, or Vice President for Finance and Treasurer.

11. Notwithstanding the delegation of authority to execute agreements set out in this policy, nothing herein shall be construed to supersede the Board of Trustees' authority to approve agreements when required by other policies or other operating procedures.

In any case noted above in which the Board of Trustees has delegated its authority to execute agreements to an officer or officers of the University, an officer, senior to the officer specifically named shall execute the agreement e.g. President for Senior Vice President, Senior Vice President for Dean, Vice President, etc. Execution may be accomplished by original signature, facsimile or electronic signature.

All programs of service, education and/or research obligating the University and/or any of its component units must be documented by a letter of understanding or contract, authorized by the appropriate University officers. Unless authorized directly or by delegation of authority from the President, no such program obligation may be implemented prior to satisfactory completion and approval of the appropriate legal document.

Consultation should be sought, during the early stages of contract development, with the appropriate University officers, to ensure that the business terms and conditions most favorable to the University are integrated into all agreements. See University policies Contract Management, 00-01-90-40:00 and Funding Grants and Contract Proposals, 00-01-05-20:10.

To the extent that an agreement is a Focus Arrangement, as such is defined under the Corporate Integrity Agreement between UMDNJ and the Department of Health and Human Services Office of Inspector General, dated September 25, 2009 (CIA), the Focus Arrangements Database Policy and Focus Arrangements Approval Procedure apply and must be followed.

The application of this Legal Commitment Authority policy will be audited on an annual basis as part of the University's normal audit by an independent firm. Additionally, the Office of Ethics, Compliance and Corporate Integrity may conduct random audits of the application of this policy.

V. EXHIBIT

Resolution of the Board of Trustees of the University of Medicine and Dentistry of New Jersey.

**BOARD ACTION ON FILE**

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Chairman of the Board

**EXHIBIT**

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE  
UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY**

**WHEREAS**, the University of Medicine and Dentistry of New Jersey has a mission of education, research, and service and,

**WHEREAS**, pursuant to N.J.S.A. 18A:64G-6(I), the Board of Trustees of the University has the power and duty to enter into contracts and agreements and has a need, in the ordinary conduct of the business of the University, to delegate its authority to sign contracts and agreements to specific officers of the University and,

**WHEREAS**, in order to ensure that the day-to-day business of the University is carried out in a timely and efficient manner, the University has developed the attached Legal Commitment Authority Policy #00-01-90-05:00 which delegates the authority of the Board of Trustees to execute agreements, contracts and other legal obligations of the University,

**WHEREAS**, this policy has been presented to and approved by the Finance, Investment and Administration Committee, now therefore;

**BE IT RESOLVED** that the University of Medicine and Dentistry of New Jersey Board of Trustees upon recommendation of the Finance, Investment and Administration Committee accepts, approves and ratifies the Legal Commitment Authority Policy #00-01-90-05:00.

Dated: September 20, 2011