

UNIVERSITY OF KENTUCKY ADMINISTRATIVE REGULATIONS	IDENTIFICATION AR II-1.3-4	PAGE 1
	DATE EFFECTIVE 11/15/06	SUPERSEDES REGULATION DATED 8/17/05

CONTRACT AND TRANSACTION APPROVAL AUTHORITY

I. Policy

The President is authorized by the Board of Trustees to enter into certain agreements and authorize payments on behalf of the University.

This authority is delegated by the President to certain administrative officers of the University as outlined in this regulation and its attachments. The University may be committed in these respects only in a manner consistent with this delegation.

In making these delegations the President has established minimum levels of responsibility for approval of transaction documents and contracts as indicated in the Attachments. All general and specific delegations of authority under this policy shall be consistent with these minimum levels of responsibility.

Although signatory or approval authority may be delegated below the minimum levels of responsibility indicated on the Attachments, the assigned official remains fully responsible for all transactions executed under the delegated authority.

II. Definition

“Procurement” means the purchasing, buying, renting, leasing or otherwise obtaining of any supplies, services and equipment.

III. General Delegation For Agreements and Contracts

A. All agreements and contracts involving procurement shall be requisitioned through the Purchasing Division and comply with KRS 45A (Model Procurement Code).

B. All agreements and contracts shall be reviewed by the Office of Legal Counsel prior to execution. Blanket approval may be given for certain form contracts (i.e. dormitory contracts, student loan agreements and the like) at the discretion of the Office of Legal Counsel.

C. Agreements and contracts involving the University as a whole or more than one area of the University shall be approved by the Executive Vice President for Finance and Administration or his/her delegated agent.

D. Agreements and contracts involving only one area of the University shall be approved by the Provost, the appropriate Executive Vice President or the President (for offices reporting directly to the President), or their delegated agent.

E. The Office of the Treasurer shall be consulted in all non-routine transactions as appropriate.

F. Human Resources shall be consulted on all transactions related to employment and employees.

IV. Other Specific Delegations

A. The President has delegated specific authority for approving contracts for certain services and activities to the administrative officers of the University as indicated in Attachment 1.

B. The agent of the University for the service of all legal processes shall be the Office of Legal Counsel.

C. The Office of the Treasurer is responsible for final review and approval of all payments as to propriety, source of funds, appropriateness of documentation and adherence to University policies and regulations.

D. The Provost and executive vice presidents are responsible for establishing plans for processing and approving transaction documents and contracts for their respective areas of responsibility. Such plans shall include:

1. Specific delegations of authority consistent with the minimum levels of responsibility for approval established by the President as indicated in Attachment 1.

2. A responsible person shall be assigned for each budgeted expenditure account. This person has primary responsibility for the activity related to the account. The responsible person, or delegated agent, shall be responsible for determining all transactions charged and posted to the account are appropriate.

3. Procedures to ensure all transaction documents are approved at the appropriate levels of responsibility as indicated in Attachment 1.

4. All delegations of signatory and/or authority approval shall be in writing.

V. Procedures for Transaction Documents

A. The responsible person for each budgeted expenditure account shall approve transaction documents.

1. Signatory and approval authority may be delegated to persons under the direct supervision of the responsible person. All delegations shall be in writing.
2. Individuals cannot approve transaction documents payable to themselves (i.e. travel reimbursement). The immediate supervisor or higher level shall approve payments to employees.
3. Facsimile signatures are not permitted.
4. Payment documents require two signatures representing a segregation of the receiving and approval functions.
5. The delegated person is directly responsible for the appropriateness of each transaction charged and posted to the expenditure account consistent with University policies and regulations.
6. Transaction documents that do not require approval at a level higher than responsible person may be submitted directly to the appropriate offices for final processing (unless otherwise directed by department, college or supervisor).
7. Transaction documents that require approval at a level higher than the responsible person shall be submitted to the appropriate office (i.e. Provost, dean, director) as indicted in Attachment 1.

References:

KRS 164.100

University of Kentucky Governing Regulations Part I and Part II

Attachment 1

UNIVERSITY OF KENTUCKY
APPROVAL AUTHORITY FOR CONTRACTS

Administration

Authorization

Auditing and Accounting Services	Treasurer
Banking	Treasurer
Bond Indenture	Treasurer (1)
Collections	Treasurer
Endowment	President
KMSF	President
Insurance	Executive Vice President for Finance and Administration
Multiple Area Involvement	Executive Vice President for Finance and Administration

Institutional Interest: Area

Academic Program	Provost (2) (3)
Athletics Association	
Broadcast Rights	Director of Purchasing (4)
Rupp Arena	President
Competition	Director of Athletics
Employment of Coaching Staff	Director of Athletics/President/Human Resources (4)
Performing Artists/Speakers	Dean/Director
Student Housing & Dining	
Contracts (form)	Executive Vice President for Finance and Administration (2)
Bus Service	Director of Purchasing
Towing Service	Director of Purchasing
Patient Transfer	Executive Vice President for Health Affairs (2)
Third Party Reimbursement	Executive Vice President for Health Affairs (2)
V. A. Agreements	Executive Vice President for Health Affairs
Physicians Practice Agreements (form)	Dean, College of Medicine
Appointment, Tenure	AR II 1.0, AR II 5.02
Personal Services	
Contract/Proof of Necessity Form	Executive Vice President for Finance and Administration
Leases other than space	Director of Purchasing

Other

Real Property

Offers to Purchase

Executive Vice President for Finance and Administration (1)

Deeds

Executive Vice President for Finance and Administration (1)

Easement

Executive Vice President for Finance and Administration (1)

Architectural and Engineering Services

Executive Vice President for Finance and Administration (1)

Capital Construction Contracts

Executive Vice President for Finance and Administration (1)

Lease Agreements for Space

Executive Vice President for Finance and Administration (1)

Sponsored Projects

AR II 1.0-3

Indemnity Agreements

Office of Legal Counsel

Hazardous Waste Disposal

Executive Vice President for Finance and Administration (1)

(1) Board of Trustees approval (KRS 45.750 with regard to capital projects and bonded indebtedness; KRS 45A with regard to the Model Procurement Code; KRS 45.750 with regard to capital projects and .KRS 164A.575 with regard to disposal of surplus property)

(2) May be delegated

(3) Limited to previously authorized programs

(4) Board of Directors, UKAA