

201 Policy for Signature Authority on Grants and Contracts

PURPOSE

This policy outlines authority with regard to executing proposals, grants, and contracts related to sponsored programs on behalf of Colorado Mesa University and protects Colorado Mesa University and its employees while maintaining compliance with university, state, federal, private, and other legislative regulations and requirements while performing research and services inherent in sponsored programs.

POLICY

A Principal Investigator (PI), Project Director (PD), Department Head, or other faculty or staff employees of the University should never sign a sponsored program proposal, grant or contract on behalf of Colorado Mesa University. Statutory authority to sign these types of documents rests with the President. This authority is derived from Colorado Statutes, Trustees Policy, and institutional policies. The President is the signatory authority (also known as the authorized official) on all contracts, grants, agreements and/or proposals and applications for sponsored programs. This policy does not preclude PI's, PD's, Department Heads, and other individuals from signing internal processing documents or the proposal or award if so called for by the funding agency, however, the proposal or award document must also contain the signature of the President. All sponsored programs documents, including but not limited to proposals, grants, and contracts, requiring the signature of Colorado Mesa University authorized official must be processed through the Office of Sponsored Programs.

For a contract to have validity and enforceability, it must be signed by a person with specific statutory delegation to sign on behalf of the state. As described above, for research grants, contracts, agreements, and proposals, this authority resides with the President. Therefore, if a sponsored program proposal or award is NOT signed by the President, the contract, grant, agreement, proposal or application is void and unenforceable.

Key reasons behind the policies relating to signatory authority include:

- protecting Colorado Mesa University and individual university employees from legal liabilities, and
- maintaining compliance with university, state, federal, private, and other legislative regulations and requirements while performing research and services inherent in sponsored programs.

Potential Consequences for Unauthorized Signatures

Any PI, PD, faculty or staff member who contemplates signing a research proposal or award on behalf of Colorado Mesa University without actual authority to do so assumes extensive personal legal liability. PI's, PD's, faculty and staff should remember the following potential consequences of signing without authority:

1. Because the individual does not have the signatory authority to bind Colorado Mesa University, the university is not bound by that agreement and is not obligated to provide lab

or office space, personnel, accounting, purchasing, or any other support needed to carry out the work described in the sponsored program.

2. If a Colorado Mesa University employee uses university facilities and personnel to conduct research or other sponsored activities not otherwise approved through proper university procedures, the employee may be subject to discipline for misappropriation of governmental property and/or resources.
3. Without an authorized signature, the individual who signed the agreement is personally liable for performance of the agreement and adherence to all of the laws, rules and regulations relating to the agreement, including, but not limited to, the Internal Revenue Code and state tax laws. If signed without authority, taxes may be imposed on the entire amount of research funding as personal income to the individual.
4. A PI, PD or other employee who signs a proposal or agreement without authority to do so may be subject to claims by the sponsor of the project or the university for fraud or misrepresentation if the PI, PD or employee led the sponsor to believe that he/she did indeed have the authority to sign on behalf of Colorado Mesa University.
5. The professional reputation of the PI/PD will suffer if a PI/PD is required to go back to an organization after an unauthorized signature has been given and explain that the sponsor does not have a legally binding agreement with Colorado Mesa University.
6. Colorado Mesa University has a policy in place which governs intellectual property rights generated from a sponsored program (Board of Trustees Policy Manual section 5.9). If the PI, PD or employee seeks to invent something independently, it is crucial to proceed in accordance with this policy. Signing an agreement without authority does not insulate the employee's intellectual property rights from these policies, which presume that any invention created in a university-related activity, using university time, facilities, equipment or materials belongs to Colorado Mesa University.