

THE UNIVERSITY OF ALABAMA
Office for Research

Signature Authority Policies and Procedures for Grants and Contracts

- I. Policy**
- II. Process**

I. Policy

The Principle Investigator (PI) is the individual primarily responsible for management of his/her sponsored research project, including financial management. While it is acceptable and practical for the PI to have assistance in financial management, standards for delegation of signature authority to acquire goods and/or services purchased on sponsored project funds must ensure that the PI maintains oversight and only appropriate expenditures are approved. Delegation of purchase authority is used to facilitate ordering routine items associated with a sponsored project and timely processing of necessary purchases in the absence of the PI. Delegates will be authorized to initiate purchase orders as well as purchase of internally provided University goods and services. Delegates will be responsible for communicating with the PI to ensure that purchases are allocated to the correct project, in compliance with all applicable policies, procedures, rules and regulations (e.g. University policies, Uniform Guidance found at 2 CFR 200, OMB circulars, Sponsor policies, Award terms and conditions).

More specifically:

1. An individual delegated signature authority should have direct knowledge of the restrictions and the needs on the sponsored project.
2. The individual should be familiar with applicable policies, procedures, rules and regulations.
3. The delegation must be made via the Signature Authority Delegation form, prior to the initiation/approval/purchase of goods and/or services
4. Delegation of approval for tuition is not necessary as official approval for tuition charges will be presumed from the approval of the related ePA or Fellowship form.
5. Delegation of approval for budget changes is permissible. Authorized personnel are responsible for communicating with the PI to ensure any changes requiring prior approval or otherwise restricted are handled appropriately (see Revision of Budget and Program Plans in Section III of Budget Procedures for Grants and Contracts, found at http://osp.ua.edu/policy_procedures.html).
6. The PI must maintain fiscal control of the sponsored project. The PI is expected to review budget and expenditure reports for his or her sponsored projects on a regular basis (monthly is suggested but not less frequently than quarterly) to detect any errors and irregularities. When signature authority has been delegated, it is even more critical for the PI to perform thorough, timely review of financial activity.

The PI may not delegate signature authority for the following:

1. **Approval of electronic personnel action forms (ePAs) and Effect Certification Reports.** Salary charges should be subject to careful review throughout planning (ePA creation), charging (monitoring of budget/account statements) and confirmation (effort certification).

2. **Approval of sub-contractor payments.** PI review and approval of a sub-recipient's invoice includes a determination of the reasonableness of the amount, based on the sub-recipient's progress on the project and an assessment of whether the sub-recipient is meeting the objectives of the sub-agreement. Documentation of this review and approval must be completed by the PI on the special form provided by CGA along with the sub-recipient's invoice.

Where delegation is not a possibility (e.g. ePAs) or has not been requested but there is an immediate need for approval of a transaction, CGA will accept an email from the PI, explaining why a signature cannot be provided and that the charges are allocable and allowable on the sponsored project. As soon as possible, the PI must sign a copy of the transaction (ePA, MDV, p-card, etc.) and forward to CGA as documentation to support the earlier email.

II. Process

The PI, at his or her discretion, may delegate to a named individual the authority to initiate and approve expenditures for goods and services allocable to the sponsored project for which the PI is responsible. An individual delegated signature authority should have direct knowledge of the needs of and restrictions on the sponsored project. Delegation of signature authority must be made via the Signature Authority Delegation form (<http://osp.ua.edu/signatureauthorityform.doc>). Practices used in prior years such as memos or e-mails will no longer be valid.

As a reminder, the PI may not delegate signature authority to approve personnel (payroll charges – ePAs or effort certification) or sub-contractor payments on a sponsored project.