

**NORTH CAROLINA CENTRAL UNIVERSITY**

**Procedures for Signature Authority for Sponsored Projects**

**Responsible Offices:** Division of Graduate Education and Research

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**Overview**

The President of the University of North Carolina system is the signatory authority (also known as the authorized official) on all contracts, grants, agreements and/or proposals and applications for sponsored programs. This authority is derived from North Carolina statutes, *The Code* of the Board of Governors of the University of North Carolina, and the University of North Carolina Policy Manual. In the University of North Carolina system, University signature authority is delegated to the Chancellors of each constituent university. Delegations for University signature authority are then assigned by the chancellors and approved by the President of the System.

Consistent with North Carolina Central University's (NCCU) commitment to the improvement of administrative efficiencies and quality services provided to employees, students and the community it serves, the University seeks to delegate signature authority to the most distributed and reasonable level of university administration. The Vice Chancellor for Graduate Education and Research is the primary signatory authority designated by the NCCU Chancellor to enter into legal commitments involving sponsored program agreements for grants, cooperative agreements and contracts on behalf of the University, including Memoranda of Agreement (MOU's) and confidentiality agreements relating to sponsored research. This allows the University to ensure that the review, approval and signature process on proposals and agreements is less bureaucratic and more efficient.

## **Scope**

These procedures apply to all University personnel and students involved with sponsored program activities.

## **Purpose**

These procedures establish the institutional signatories authorized to enter into legal commitments regarding sponsored project support on behalf of North Carolina Central University. Key reasons for these procedures relating to signatory authority include:

- protecting the University and individual University employees from legal liabilities; and
- maintaining compliance with college, system, state, federal, private, and other legislative laws, regulations and other requirements while performing research and services inherent in sponsored programs.

## **Definitions**

Principal Investigator (also project administrator, project director, program administrator, or program director) - The employee or student of the University who has been designated by the University and approved by a sponsoring agency to direct a project funded by an external sponsor. A principal investigator must personally participate in the project to a significant degree. S/he is directly responsible and accountable to the University and the sponsoring agency for the proper programmatic, scientific, or technical conduct of the project, and its financial and day-to-day management, and reporting.

The principal investigator is a critical member of the sponsored project team responsible for ensuring compliance with the financial and administrative aspects of the award. The principal investigator works closely with appropriate administrators within the University to create and maintain necessary documentation, including both technical and administrative reports; prepares budget justifications; appropriately acknowledges external support of research findings in publications, announcements, news programs, and other media; and ensures compliance with other Federal and organizational requirements. It is expected that the Principal investigator will maintain contact with the appropriate sponsor representative with respect to the scientific aspects of the project and the business and administrative aspects of the award.

Approved principal investigators serve at-will and may be removed at the recommendation of their area Vice Chancellor and/or the Vice Chancellor for Graduate Education and Research and Chancellor.

A principal investigator is a steward of Federal funds and is subject to Federal, State, and local criminal and civil laws and regulations.

## **Policy Statement**

All sponsored programs documents, including but not limited to proposals, grants, cooperative agreements, contracts, MOU's, confidentiality agreements, and materials transfer agreements, requiring the signature of the University's authorized official must be processed through the Office of Sponsored Research and Programs or the Contracts and Grants Office or other University processing unit. A Principal Investigator (PI), dean, administrative department head, faculty or staff employees, or student of the University should never sign a sponsored program proposal, grant, cooperative agreement or contract on behalf of the University. This policy does not preclude PI's, deans, administrative department heads, faculty or staff employees (not students) from signing internal processing documents or the proposal or award if required by the sponsoring agency; however, the proposal or award document must also contain the signature of the Vice Chancellor for Graduate Education and Research. Most grants and subawards and all contracts and subcontracts issued to or by the University require signatures from both the sponsor and the University. In some cases, the University's officially authorized signature will have been provided when the proposal was submitted. The proposal then becomes a part of the grant document either directly or by reference. If a sponsored program proposal or award is not signed by the Vice Chancellor for Graduate Education and Research, the contract, grant, agreement, proposal or application is void and unenforceable.

## **Procedures**

### Signature Authority Delegated to the Vice Chancellor for Graduate Education and Research

The Chancellor has delegated signature authority to the Vice Chancellor for Graduate Education for the following:

1. Research and other sponsored program proposals and applications.
2. Grants, cooperative agreements, contracts, subawards, subcontracts and other agreements that provide for (1) research to be conducted by the University or (2) research to be sponsored by the University and conducted by another entity on behalf of the University.
3. Grants, cooperative agreements, contracts, subawards and subcontracts, and other agreements for experimental, developmental, and research projects that qualify as sponsored programs. Sponsored programs are those that are separately financed in whole or in part by external agencies and are carried out under terms of agreements between the sponsoring agencies and the University.
4. Agreements and documents necessary for the operation of the University technology transfer program, such as licenses, options, confidentiality agreements, material transfer agreements and documents required by the US Patent and Trademark Office.
5. Exemptions to claiming maximum allowable indirect costs.
6. Contracts necessary for the operation of the University's technology transfer program, including but not limited to licenses, options, confidentiality agreements, material transfer agreements and documents required for the prosecution and maintenance of University intellectual property rights. This

- delegation of signature authority includes granting of licenses for software for which NCCU owns the copyright and for other works of copyright owned by NCCU where the license will generate revenues beyond direct cost recovery.
7. Confidential disclosure agreements and nondisclosure agreements related to (1) research to be conducted or proposed to be conducted by the University, (2) research to be sponsored by the University and conducted by another entity on behalf of the University, or (3) technology development and/or transfer that involves the University.
  8. All patent applications and other related documentation, including all "Verified Statements Claiming Small Entity Status (37 CFR 1.9(f) & 1.27(d))-Nonprofit Organization" forms required by the U.S. Patent and Trademark Office.
  9. Standard agreements transferring ownership of University inventions to their respective inventors upon determination by the Patent Committee that University efforts to commercialize such inventions will not be productive.
  10. Inter-institutional agreements with other research institutions on behalf of the University.

#### Signature Authority Delegated by the Vice Chancellor of Graduate Education and Research

In the absence of the Vice Chancellor for Graduate Education and Research, signature authority for proposals for research, public service, scholarship, and other sponsored creative activities to be funded by grant, cooperative agreement, memorandum of agreement, contract, purchase order or any other form of funding agreement is sub-delegated by the Vice Chancellor for Graduate Education and Research to the following positions, in order of authority:

- a. Director of the Office of Sponsored Research and Programs
- b. Assistant Director of the Office of Sponsored Research and Programs

#### **Mandatory Training for Signatories**

Under this environment, continuing education is absolutely critical and, therefore, is mandatory for all signatory delegates. At least annually, the signatory delegates shall hold a meeting on what their signatures represent, what the signatures of any other signatories represent, what the consequences of false or inappropriate representations are and where challenges or hurdles in meeting these objectives are being observed by University administration. Signature authority delegation shall be suspended if attendance at a signature authority continuing education session is not attended.

#### **Potential Consequences for Unauthorized Signatures**

Any PI, faculty or staff member, or student who signs a sponsored program proposal or award on behalf of the University without actual authority to do so assumes extensive personal legal liability. PI's, faculty and staff, and students should remember the following potential consequences of signing without authority:

- Because the individual does not have the signatory authority to bind the 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.
- If a 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.
- 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.
- A PI 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 or employee led the sponsor to believe that he/she did indeed have the authority to sign on behalf of the University.
- The professional reputation of the PI will suffer if he/she 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 the University.
- The University has a policy in place which governs intellectual property rights generated from a sponsored program. If the PI 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 personnel, college time, facilities, equipment or materials belongs to the University.

### **Related Information**

The Code of the Board of Governors, The University of North Carolina, Chapter V-*Officers of the University*, and Chapter 501C(&), *Relation of the President to the University*,  
<http://www.northcarolina.edu/policy/index.php?pg=vs&id=2>

UNC Policy Manual, 500.3, *Policy on Authorizing the President to Execute Grant Applications and Assurances of Compliance with Applicable Law*,  
<http://www.northcarolina.edu/policy/index.php?pg=vs&id=410>

UNC Policy Manual, 500.4[R], *Regulations on Administering Sponsored Programs*,  
<http://www.northcarolina.edu/policy/index.php?pg=vs&id=411>

### **Contact Information**

Office of the Vice Chancellor for Graduate Education and Research	919-530-6893
Office of Sponsored Research and Programs	919-530-7331