



## Approval Authority Policy

**Category:** Financial;

**Jurisdiction:** Board Finance & Operations Committee;

**Approval Authority:** Board of Governors;

**Established on:** January 27, 2012;

**Amendments:** February 1, 2013; March 3, 2016; February 9, 2018; February 1, 2019

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### 1. Rationale

Expenditures incurred by the University should be approved by officials of the University who have responsibility, authority and accountability for such expenditures.

### 2. The Policy

It is the policy of Lakehead University that the control of expenditures will be served through the application of signing authority limits for various management positions.

### 3. General

The Chair of the Board of Governors, the President, the Vice-Presidents, the Associate Vice-President Financial Services and such other persons as the Board may designate from time to time shall be Signing Officers of the University, any two of whom shall have power to sign all instruments and documents on behalf of the Board.

### 4. Banking Affairs

The banking affairs of the University shall be transacted with such bank or banks, or other corporations carrying on a banking business, as the Board may from time to time designate by resolution, and all such banking affairs shall be transacted by such two or more signing officers and/or other persons as designated by the Board by resolution.

## 5. Guidelines

- 5.1. Signing authority limits specified are intended to pertain to each purchase request, budget, or receipt. Purchase requests or payments may not be separated into two or more components in order to circumvent the intent of this policy.
- 5.2. Where other University policies have been issued relative to specific financial authorizations, then that policy shall prevail (e.g. Board By-laws, travel, moving, purchasing, etc.)
- 5.3. Academic Chairs, School Directors, Managers and other supervisory staff with budget authority may authorize expenditures within their approved budgets up to \$5,000 for:
  - 5.3.1. All non-salary items (supplies, equipment, services); Part-time and over-time salaries and benefits subject to Human Resources policies and procedures; and, budget transfers except full-time salaries and benefits;
- 5.4. Academic and Administrative Directors, and Assistant Deans may authorize expenditures within their approved budgets for up to \$10,000 for:
  - 5.4.1. Non-salary items (supplies, equipment and services); part-time and over-time salaries and benefits subject to Human Resources policies and procedures; and budget transfers except full-time salaries and benefits.
- 5.5. General Counsel and University Secretary and Associate Vice-Provost Student Affairs may authorize expenditures within their approved budgets for up to \$25,000 for:
  - 5.5.1. Non-salary items (supplies, equipment and services); part-time and over-time salaries and benefits subject to Human Resources policies and procedures; and budget transfers except full-time salaries and benefits.
- 5.6. Associate Vice-Presidents, Chief Information Officer, Deans, Deputy Provost, Chief of Staff, University Librarian, Director of Physical Plant, and Vice-Provosts may authorize expenditures within their approved budgets up to \$50,000 for:
  - 5.6.1. Non-salary items (supplies, equipment and services); part-time and over-time salaries and benefits subject to Human Resources policies and procedures; and budget transfers except full-time salaries and benefits.
  - 5.6.2. Any installment or payment on contracts or agreements which have received the prior approval of the appropriate Vice-President, President or Board of

Governors (i.e. utilities, maintenance agreements, construction progress payments, mortgages, food services, etc.)

- 5.7. The Associate Vice-President, Orillia Campus, may authorize expenditures related to the Orillia Campus up to \$50,000.
- 5.8. The Principal, Orillia Campus, may authorize expenditures related to the Orillia Campus up to \$250,000.
- 5.9. Vice-Presidents may authorize expenditures within the University's budget and appropriations up to \$250,000 for all items noted above.
- 5.10. Expenditures up to \$500,000 but within the University's budget and appropriations will require the signature of two signing officers, one of whom must be the appropriate Vice-President, the President, or the Chair of the Board.
- 5.11. Expenditures over \$500,000 but within the University's budget, appropriations, and research grants will require the signature of the President plus the Vice-President (Administration & Finance).
- 5.12. The Vice-President Administration & Finance and the Associate Vice-President Financial Services, can approve all expenses required to satisfy payroll, benefit, or related statutory payments, in addition to regular contractual obligations, e.g. monthly Purchasing Card settlement payments.
- 5.13. Expenditures on research grants, contracted research and other contracts not covered elsewhere in this policy will be authorized by the grantee designated by the funding body (NSERC, SSHRC, CFI, etc.) as the Principal Investigator up to the amount awarded in the grant/contract. The Principal Investigator may authorize expenditures within their authorized Research Budgets up to \$5,000. In multi-year grants/contracts, anticipated expenditures exceeding the project's annual budget must be approved by a second signing authority. A second signing authority will be designated by the President or appropriate Vice-President. Over expenditures will not be allowed in the final year of a grant or contract.
  - 5.13.1. The Principal Investigator and the Directors of Research Centres may designate signing authority to another Researcher (i.e. co-investigator, research associate) for expenditures up to \$5,000 by informing the Office of Financial Services in writing.

- 5.13.2. All expenditures on research accounts that exceed the Principal Investigator's signing limit, with the exception of the University Research Centres, require the approval of the appropriate Dean prior to obtaining the approval of the Associate Vice President Research or the Vice President Research.
- 5.13.3. The Directors of the University Research Centres may authorize expenditures within their authorized Research Budgets up to \$5,000 excluding travel related to the Directors. In multi-year grants/contracts, anticipated expenditures exceeding the project's annual budget must be approved by a second signing authority. A second signing authority will be the Vice-President of Research or his/her designate. Over expenditures will not be allowed in the final year of a grant or contract.
- 5.14. Capital Fund projects over \$1,000,000 will require the approval of the Board of Governors.
- 5.15. Expenditures from trust funds will be made in accordance with the purpose specified by the donor. The official(s) authorized to approve payments will be designated by the President or appropriate Vice-President.
- 5.16. Officials who have signing authority may assign this responsibility to another individual in an acting role during periods of absence from the University by advising the Associate Vice-President Financial Services accordingly. An individual assigned this interim authority will have the same signing limits as the authorizing official. Final responsibility for expenditures authorized during this acting period will rest with the designating official.
- 5.17. Inquiries regarding the interpretation, practices and procedures to be followed in administering matters relating to this policy should be directed to the Associate Vice-President Financial Services.
- 5.18. All purchases authorized in accordance with this Policy must be acquired in accordance with the University's Purchasing Policy.

Procurement of Goods and Non-Consulting Services										
Lakehead University										
Signing Authority Matrix	Up to	\$5k	\$10k	\$25k	\$50k	\$250k	\$500k	>\$500k	>\$1m	
Academic Chairs, School Directors, Managers, other Supervisory Staff		•								
Principal Investigator/Research Centre Director		•								
Academic and Admin Directors, Associate Deans, Assistant Deans			•							
General Council and University Secretary, Associate Vice-Provost Student Affairs				•						
Associate VPs, Chief Information Officer, Deans, Deputy Provost, Chief of Staff, University Librarian, Director of Physical Plant, and Vice-Provosts					•					
Associate Vice-President Orillia Campus (Orillia Campus only)					•					
Principal, Orillia Campus (Orillia Campus only)						•				
Vice-Presidents						•				
Two signing officers, one of whom must be the appropriate Vice-President, the President, or the Chair of the Board							•			
VP Administration & Finance, Associate Vice-President Financial Services (Statutory, contractual obligations)								•		
President and VP Admin & Finance									•	
<b>Board of Governors (Capital Fund Projects)</b>										•

  

Procurement Approval Authority Schedule for Consulting Services		
Procurement Method	Procurement Value	Approval Authority
Invitational Competitive	\$0.00 up to but not including \$100,000	University's Approval Authority Policy for goods and non-consulting services
Open Competitive	Any Value	University's Approval Authority Policy for goods and non-consulting services
Non-Competitive	\$0.00 up to but not including \$1,000,000	President
Non-Competitive	\$1,000,000 or more	Board of Governors

### Review

The Vice-President (Administration & Finance) will review this policy within five years to ascertain if any amendments are necessary.

**Review Period:** Five years;

**Date for Next Review:** 2024;

**Policy Superseded by this Policy:** Controls and Signing Authority Policy

The University Secretariat manages the development of policies through an impartial, fair governance process, and in accordance with the Policy Governance Framework. Please contact the University Secretariat for additional information on University policies and procedures and/or if you require this information in another format:

Open: Monday through Friday from 8:30am to 4:30pm;

Location: University Centre, Thunder Bay Campus, Room UC2002;

Phone: 807-346-7929 or Email: [univsec@lakeheadu.ca](mailto:univsec@lakeheadu.ca).