

Delegation of Authority

TABLE OF CONTENTS

100.00	Introduction and Purpose
200.00	Policy and Procedures
210.00	General Scope of Delegation
220.00	Delegation Guidelines
230.00	Delegate Qualifications
240.00	Authority to Delegate
250.00	Authority to Receive Delegations
260.00	Delegation Management
270.00	Effective Dates
300.00	Internal Controls

100.00 Introduction and Purpose

The purpose of this policy is to ensure the efficient operation of Montana State University-Bozeman ("University") while maintaining fiscal and policy integrity through the careful delegation of authority. The procedures outlined below identify those situations in which it is appropriate to use delegations of authority and the procedures that should be followed to make such delegations.

As used in this policy, a "delegation of authority" is the formal recorded conveyance of authority from one University employee to another University employee to bind the University within the scope of authority to a legally enforceable obligation. Any such transfers of powers and duties are therefore significant actions requiring great care and scrutiny.

Accountability for the management of the property, assets, financial and human resources of the University ultimately rests with the President who expects those with delegated authority under the terms of this policy to safeguard University resources by establishing and maintaining sound business controls that deter and detect any potential misuse of resources.

110.00 Definitions

Delegator: The employee who has authority to take action on behalf of the university, college or department who transfers ("delegates") his/her authority to another University employee ("Delegate").

Delegate: The employee who is officially transferred the authority to act on behalf of the delegator.

200.00 Policy and Procedures

210.00 General Scope of Delegation

Delegations of authority should be limited both in scope, number and time frame to those which are necessary to achieve efficiency while maintaining accountability.

220.00 Delegation Guidelines.

Delegations of authority are appropriate where the delegation will enhance the effectiveness and efficiency of the operation without risking the integrity of the internal control necessary for accountability. No delegation shall be made of all or substantially all of the powers held by any persons making a delegation, or where checks and balances would be minimized.

The following responsibilities may NOT be delegated, but must be approved by the party indicated in the menu below:

Select a Matrix...

Signature authority for employment contracts may be delegated only if approved in advance by the applicable department.

230.00 Delegate Qualifications.

Individuals who receive delegated authority shall have active involvement with the activity being conducted; and have sufficient knowledge of the University policies, rules, laws, regulations and procedures to ensure compliance.

Delegator will provide for training to the Delegate to ensure compliance with legislation and the policies referred to above.

240.00 Authority to Delegate.

250.00 Authority to Receive Delegations.

A delegation of authority shall be commensurate with the employee's role within the organization. No delegation shall be made to any employee whose level of responsibility within the University is lower than the level of employee who reasonably could be expected to understand and act in respect to the powers being delegated.

260.00 Delegation Management.

Each department is responsible to manage and monitor its departmental delegations of authority. This includes maintaining official files of all delegations of authority and conducting annual reviews of all the delegations to ensure that they are revised as necessary.

Delegations of authority must be documented on the [form](#) prescribed by the Assistant Vice President of Financial Services and Director of Personnel and Payroll. Original delegations will be maintained by the Assistant Vice President of Financial Services and/ or Director Personnel and Payroll, in accordance with applicable records retention guidelines.

Employees with delegated authority are accountable for the documents they sign and shall be responsible for assuring payment, performance and adequate record-keeping.

270.00 Effective Dates.

A delegation of authority shall become effective on the date the delegation is fully executed. Delegations shall continue until revoked or modified because the delegate leaves the position or has his/her duties and responsibilities changed to broaden or lessen the areas of delegation. The departments are responsible for maintaining active and up to date delegations of authority and should review all delegations annually to assure that the delegations on file with the Controller are current. The delegation must be fully executed before any documents are signed by the Delegate

300.00 Internal Controls.

It is the responsibility of the Delegator to maintain proper control and management of his/her area; the Delegator remains accountable for all actions taken by the Delegate. The Delegator shall take into account and maintain appropriate internal controls including separation of duties, reviewing reports, sampling completed transactions and monitoring the effectiveness of the controls established.

Delegates may not approve transactions for themselves, their relatives or approve transactions that directly benefit themselves or their relatives or, in any way, create a conflict of interest with the Delegate's responsibilities to the University. Such transactions must be countersigned by another authorized person, usually the person of next higher authority.

There must be a separation of duties between the approval of expenditures and the reconciliation of departmental financial accounts. Delegates may not be the person solely responsible for reconciling/verifying the expenditures with the department budget. Departments with very few staff that are unable to segregate duties require the department head to attest to the implementation of alternate compensatory internal controls.

Documents signed by anyone other than those employees who have a delegation of authority on file with the Controller may be declared null and void unless formally ratified by the President. Persons who improperly delegate or misuse delegated authority may be subject to an investigation and sanctions, which may include removal of signature authority, disciplinary action or termination of employment.