



SUBJECT: Governance and Organization

POLICY: 106.1 Delegation of Authority

RELATED PROCEDURE: 106.1.1

EFFECTIVE:

REVISED: July 2010

REVIEWED: July 2015

Introduction and Purpose

The purpose of this policy is to ensure the efficient operation of Great Falls College Montana State University (GFC MSU) 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 GFC MSU employee to another GFC MSU employee to bind the college 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 college ultimately rests with the CEO/Dean who expects those with delegated authority under the terms of this policy to safeguard College resources by establishing and maintaining sound business controls that deter and detect any potential misuse of resources.

Policy

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.

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 procedure 106.1.1:

Affiliation Agreements

Classroom Use

Construction Contracts

Donor Agreements

Employment Agreements

Facilities Use

Federal and State Regulatory Agreements

Financial Aid Agreements

Lease Agreements

Litigation Settlements

Memoranda of Agreement/Understanding - Academic

Memorandum of Understanding/Agreement - Other

Non-Contractual HR Forms

Purchasing Agreements

Real Property

Services Agreements (See Purchase Agreements)

Other Agreements

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

Delegate Qualifications

Individuals who receive delegated authority shall have active involvement with the activity being conducted; and have sufficient knowledge of the College 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.

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 College is lower than the level of employee who reasonably could be expected to understand and act in respect to the powers being delegated.

Delegation Management

Each division is responsible to manage and monitor its divisional 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 Chief Financial Officer and Executive Director of Human Resources. Original delegations will be maintained by the Controller in accordance with applicable records retention guidelines.

Employees with delegated authority are accountable for the documents they sign.

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 divisions 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 Chief Financial Officer are current. **The delegation must be fully executed before any documents are signed by the Delegate.**

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 or their relatives or approve transactions directly benefit themselves or their relatives or, in any way, create a conflict of interest with the Delegate's responsibilities to the College. 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 divisional financial accounts. Delegates may not be the person solely responsible for reconciling/verifying the expenditures with the division budget. Divisions with very few staff that are unable to segregate duties require the division 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 CEO/Dean.

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.

Related Forms/Manuals

- Delegation of Authority form

Related Policies

- [17-1-102 MCA Uniform Accounting, System and Expenditure Control](#)
- [Montana Operations Manual, Internal Control Guidebook](#)

Definitions

Delegator The employee who has authority to take action on behalf of the College or division who transfers (“delegates”) his/her authority to another College employee (“Delegate”).

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