

NIPISSING UNIVERSITY

Policy Category:	Financial
Policy Number:	2.2.2012.B
Policy Name:	Approval Authority Policy
Responsible Department:	Vice-President, Finance and Administration
Original Approval Date:	April 12, 2012
Approval Authority:	Board of Governors
Last Updated:	September 2021
Next Review Date:	2026

A. Purpose

The purpose of this policy is to establish approval authorization limits for the procurement of goods and services to ensure that expenditures incurred by the University are approved by officials who have the responsibility, authority and accountability for such expenditures. It is also to formally comply with the [Broader Public Sector \(BPS\) Procurement Directive](#) issued by the Management Board of Cabinet, July 1, 2011, which requires that the University establish an approval authority schedule for procurement of goods and services and have it approved by the Board of Governors.

B. Scope

This policy applies to all purchase requests for the procurement of goods and/or services, reimbursement of travel expenses and budget transfers.

C. General

1. Approval authorization limits specified in this policy are intended to pertain to each purchase request, and budget transfer. Individuals must not reduce the overall value of the procurement (i.e. dividing a single procurement into multiple procurements) in order to circumvent the approval requirements of this policy.
2. All contracts, documents or instruments in writing are to be signed by two Signing Officers of the University in accordance with the [University's Signing Authority Policy](#). Signing Officers have been granted the authority to bind the University contractually.
3. Approval authority is **distinct** from signing authority. Approval authority is the ability to make decisions with regard to spending. Signing authority is the ability to sign contracts, documents or other instruments in writing on behalf of the University thereby making commitments to other parties.

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4. The University's annual operating budget and allocation of the total budget to individual operating departments is approved by the Board of Governors. Budgets for external research contracts and other external funding agreements are approved by the appropriate funding agency and administered by the University.
5. Individuals that have been granted approval authority under this Policy are required to ensure that sufficient funds are available in their respective budgets prior to authorizing any expenditures.
6. Where other University policies have been issued relative to specific financial authorizations, then that policy shall prevail.
7. The Vice-President, Finance and Administration, may make non-material changes to these authorizations to reflect:
 - a) changes to the titles of positions included in these Authorizations
 - b) the deletion of positions included in these Authorizations; and
 - c) the addition of positions directly comparable to those included in these Authorizations.

Such revisions shall be in the form of a memorandum by the Vice-President, Finance and Administration. Each revision will take effect upon being filed with the University Secretary.

D. The Policy

1. Academic Chairs, School Directors, Managers and other staff who have been assigned budget authority by their appropriate Director, Dean or Vice-President may authorize expenditures within their approved budgets and budget transfers up to \$2,500 for non-salary items (i.e. supplies, equipment and services).
2. Academic Directors, Associate Deans and Assistant Deans may authorize expenditures within their approved budgets and budget transfers for up to \$10,000 for: (a) non-salary items (i.e. supplies, equipment and services); and (b) part-time and over-time salaries and benefits subject to Human Resource policies and procedures.
3. Administrative Directors, Deans and Registrar may authorize expenditures within their approved budgets up to \$25,000 for: (a) non-salary items (i.e. supplies, equipment and services) and (b) part-time and over-time salaries and benefits subject to Human Resource policies and procedures. These individuals may also authorize expenditures for their respective departments for any installment or payment on contracts or agreements which have received the prior approval of the appropriate Signing Officers (i.e. utilities, maintenance agreements, construction progress payments, mortgages, etc.) through a previous procurement request.
4. Assistant Vice-Presidents and Executive Directors may authorize expenditures within their approved budgets and budget transfers up to \$50,000 for: (a) non-salary items (i.e. supplies, equipment and services) and (b) part-time and over-time salaries and benefits subject to Human Resource policies and procedures. These individuals may also authorize expenditures for their respective departments for any installment or payment on contracts or agreements which have

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received the prior approval of the appropriate Signing Officers (i.e. utilities, maintenance agreements, construction progress payments, mortgages, etc.) through a previous procurement request.

5. Vice-Presidents may authorize expenditures within the University's budget and budget transfers up to \$100,000 for all items noted above.
6. Expenditures in excess of \$100,000 up to \$500,000 and within the University's budget require the approval of two Signing Officers (refer to Financial Policy 2.1 Signing Approval Authority), one of whom must be the appropriate Vice-President, the President or the Chair of the Board.
7. Expenditures in excess of \$500,000 but within the University's budget will require the approval of the President and the Vice-President, Finance and Administration.
8. Expenditures on research grants and contracted research must be authorized by both the grantee designated by the funding body (SSHRC, NSERC, CFI, etc.) as the Principal Investigator up to the amount awarded in the grant/contract and a representative from the Research Services Office as appointed by the Vice-President, Academic and Research. The Principal Investigator may authorize expenditures within their authorized budgets up to \$5,000. Any expenditure in excess of \$5,000 must be signed by the appropriate Dean prior to being submitted to the Research Office for approval.
9. Expenditures on other externally funded contracts not covered elsewhere in this policy must be authorized by the grantee designated by the funding body as the Principal Investigator up to the amount awarded in the grant/contract as well as the appropriate Dean, Administrative Director or Vice-President.
10. In **exceptional** situations where a competitive procurement method is not used to procure consulting services, the expenditure must be authorized by the President for consulting services up to \$1,000,000. The Board of Governors must approve all non-competitive consulting services in excess of \$1,000,000.
11. Capital construction projects must be approved in advance by a resolution of the Board of Governors. Expenditures related to capital construction projects that have received approval of by the Board of Governors must be approved by the Director of Facilities and one of the Vice-President, Finance and Administration, and/or the Vice-President, Academic and Research.
12. Expenditures from expendable 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 the appropriate Vice-President.
13. Expenditures incurred by the President must be approved by the Board Chair.
14. Expenditures incurred by members of the Board of Governors for Board business must be approved by the Board Chair and Vice-President, Finance and Administration.

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15. Expenditures incurred by the Board Chair must be approved by the President and the Vice-President, Finance and Administration.
 16. Payroll remittances must be approved by an individual designated by either the Vice-President, Finance and Administration, the Director, Human Resources, or the Director of Finance.
 17. All cheque requisitions for student refunds, loan payments and other expenditures not specifically addressed by this policy must be approved by an individual designated at the discretion of the Vice-President, Finance and Administration, or the Director of Finance.
 18. Individuals granted approval authority by this policy may assign this responsibility to another individual in an acting role during periods of absence from the University. A [Delegation of Authority](#) form must be submitted to the Vice-President, Finance and Administration. An individual assigned interim authority will have the same approval authorization limits as the authorizing individual. Final responsibility for expenditures authorized during the interim period will rest with the designating individual.
 19. Inquiries regarding the interpretation, practices and procedures to be followed in administering matters relating to this policy should be directed to the Vice-President, Finance and Administration or the Director of Finance.
 20. The authorization limits established by this Policy have been summarized in Appendix A to the Policy.
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Resolution 2012-04-13 – Originally approved by the Board of Governors

Non-substantive changes (per section C.7) – February 2014

Non-substantive changes (per section C.7) – October 2017

Resolution 2021-09-04 – Revised September 2021

Nipissing University
Approval Authority Matrix
Procurement of Goods, Non-Consulting Services, Construction and Renovations

	Up to	\$2,500	\$5,000	\$10,000	\$25,000	\$50,000	\$100,000	\$500,000	>\$500,000
Academic Chairs, School Directors, Managers, other Supervisory Staff									
Principal Investigator & Research Services Office									
Academic Directors, Associate Deans and Assistant Deans									
Administrative Directors, Deans and Registrar									
Assistant Vice-Presidents and Executive Directors									
Vice-Presidents									
Two of Individuals with Signing Authority, one of whom must be the appropriate Vice-President, the President or the Chair of the Board									
President and Vice-President, Finance & Administration									

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Approval Authority Schedule
Procurement of Consulting Services

Procurement Method	Procurement Value	Approval Authority
Invitational Competitive	\$0.00 up to \$100,000	Same approval authority limits as for the procurement of goods, non-consulting services, construction and renovations
Open Competitive	Any value	Same approval authority limits as for the procurement of goods, non-consulting services, construction and renovations
Non-Competitive	\$0.00 up to \$1,000,000	President
Non-Competitive	>\$1,000,000	Board of Governors