



**POLICY ON EXECUTION OF CONTRACTS
FOR REAL ESTATE, INVESTMENTS, SPONSORED RESEARCH,
ACADEMIC AGREEMENTS AND OTHER AGREEMENTS**

Dated: June 17, 2015

Supersedes: None

References: *Procurement Signature Authority Policy for Goods and Services*, dated June 17, 2015; *Policy on Execution of Contracts for Employment Matters*, dated June 17, 2015

I. PURPOSE

This Policy establishes guidelines for the authority to sign contracts and delegation of signing authority for contracts involving real estate, construction and renovations, investments, sponsored research, technology transfers, intellectual property, affiliation agreements and other academic agreements, trusts and estates, gift and pledge agreements, settlement agreements, legal services, and insurance policies, with external entities that bind New York Medical College and to protect the College from illegal or inappropriate obligation or excessive financial burdens. This policy does not include contracts for goods and services or employment matters. The College's *Procurement Signing Authority Policy for Goods and Services* shall apply for contracts for goods and services as provided therein and the College's *Policy on Execution of Contracts for Employment Matters* shall apply for those contracts involving Human Resources. At all times, the College's Financial Signature Authority Levels as incorporated herein in Section VI for reference shall govern.

II. POLICY

It is the policy of New York Medical College that only certain individuals are authorized to sign and approve certain contracts and agreements, as defined in Section III. below, on behalf of the College. All contracts and agreement over five thousand dollars ("\$5,000") must be reviewed by the Office of the General Counsel prior to signing.

The term "Contract" is defined, broadly, to mean any document intended to set forth an agreement or arrangement between the College and an outside party. This policy does not apply to internal memoranda of understanding or similar agreements that govern internal relationships between schools, divisions or subsidiaries of the College. It is the responsibility of anyone who presents a Contract for signature and who signs a Contract in the name of the College to read and understand the terms of the Contract, assure that the Contract has been reviewed and approved as set forth in this Policy and that the business terms of the Contract are fair and reasonable to the College. This policy assumes that those who present Contracts for approval and signature have followed the normal business practices and policies of the College relating to initiating a business relationship or transaction, getting approval for capital spending, and the like. Under the College's *Code of Conduct and Policy on Conflicts of Interest and Conflict of Commitment*, an employee who has a conflict of interest with respect to a Contract does not have authority to sign the Contract and should not be involved in the approval process with respect to

the Contract. The College's *Code of Conduct and Policy on Conflicts of Interest and Conflict of Commitment* applies whether the subject of the Contract is commercial or academic.

Signing a Contract on behalf of the College is an important responsibility and should be done only by someone with authority and an understanding of the obligation being undertaken. Contracts relating to Significant Commitments (defined below) must be brought to the attention of the President, reviewed and signed by an Officer of the College and reviewed by the General Counsel. A person who signs a Contract on behalf of the College without authority may be subject to disciplinary action up to and including termination. A person who signs without authority in some cases even may be liable for the obligations, debts and risks under that Contract. The individual's liability may be personal. The College will not be bound by the terms of a Contract signed by an individual without authority.

A Significant Commitment is one that meets any ONE of the following criteria:

1. Goes to the Board of Trustees or a committee thereof for action or approval
2. Involves use of the College's name by another entity particularly through affiliation or endorsement) or the naming of all or part of a College building, facility or school.
3. Has the potential to generate significant internal or external publicity or controversy.
4. Has the potential to result in unusual or significant risk or liability.
5. Involves a joint venture with another entity, profit or non-profit, including academic affiliations (except those limited to medical resident or medical/nursing student placements or routine student exchanges.)
6. Creates a subsidiary or other type of controlled entity.
7. Creates a gift or pledge of at least \$1 million or the donor is a Trustee, but not including reoccurring or smaller gifts such as donor society memberships and benefit sponsorships.

All College Contracts must be in writing, which may include electronic (but not email) form. No contract will bind the College unless in writing and signed according to this Policy.

This Policy applies equally to amendments and terminations of Contracts.

This Policy supersedes any conflicting practice, policy, delegations or guidelines.

III. SCOPE

This Policy applies to all College employees and faculty. The following transactions require contract execution in accordance with this policy:

- Affiliation agreements, clinical training and placement agreements, articulation and other academic agreements;
- Construction/renovation projects and agreements;
- Matters pertaining to NYMC’s investments and endowment, including the contracts related to hiring and terminating external investment managers
- Real estate acquisitions and/or leasing of property;
- Grants, contracts and other agreements with terms and conditions for research, sponsored training, clinical trials, confidentiality and material transfer agreements and research compliance; and
- Patents and licensing, technology transfer

VI. CONTRACT APPROVAL AND SIGNATURE AUTHORITY

A. The President

The President of the College must be informed in advance about all Significant Commitments, before the commitment is communicated to any Counterparty. Contracts relating to Significant Commitments must be reviewed and signed by an Officer of the College and reviewed by the Vice President and General Counsel of the College.

B. Deans

Deans have authority to approve and sign Contracts that:

1. Impact solely the programs and budgets they oversee;
2. Involve total expenditures (including any renewal or option terms) that do not exceed the limits provided in the Financial Signature Authority Level Chart (incorporated herein in Section VI) provided that the funds are available within the approved annual budget of College
3. Do not affect central systems or budgets, or those of other divisions or units of the College; and
4. Do not contain terms that could result in unusual risk or liability for the College such as and only by way of example: (a) requiring insurance in excess of normal College policies or (b) requiring unusual indemnification (e.g. for the Counterparty's own negligence or for consequential damages like lost profits).

C. Types of Contracts:

CONTRACT SIGNING AUTHORITY	
Affiliation agreements, clinical training and placement agreements, articulation and other academic agreements	President, Chancellor/CEO or Dean of the specific school

Construction/renovations projects and agreements	President or Vice President of Operations
Investment and endowments related agreements; Banking agreements; Debt transactions (including loans or lines of credit; bond issues; loan guarantees); Accounting and audit.	President or Vice President of Financial Operations
Real Estate acquisitions, leasing of property, easements and licenses	President, Vice President of Financial Operations or Vice President of Operations
Grants, contracts and other agreements with terms and conditions for research, sponsored training, clinical trials, confidentiality and material transfer agreements, and research compliance	Dean of the School of Medicine or Assistant Dean and Director of Research Administration
Patents and licensing, technology transfer	President, Chancellor/CEO, Dean of the specific school or Vice President of Financial Operations
Professional Services (including consulting, but excluding construction related, legal, accounting, auditing or investment services)	Dean of the specific school, Chancellor/CEO, President
Estates and Trust, Gift and Pledge Agreements and Releases (and related agreements)	President, Chancellor/CEO, Vice President for Financial Operations, Vice President for Development and Alumni Affairs and Vice President and General Counsel
Settlement Agreements (litigation or claim and including severance/separation agreements), legal services and related agreements	President, Chancellor/CEO or Vice President Financial Operations upon the recommendation of the Vice President and General Counsel
Insurance policies (including workers compensation and excluding health insurance or other employee benefits)	Vice President and General Counsel

V. DELEGATION RESPONSIBILITY AND PROCEDURE

All delegation of signatory authority must be made in writing and provided to the Chancellor of Health Affairs and CEO, the Vice President and General Counsel and the designee. The designation must include (1) specification of the scope, terms and limitations; (2) type of contract the delegate is authorized to sign; (3) extent of monetary authority; and the (4) duration of the delegation not to exceed _____, but at no time can the delegation be longer than one year. Individuals may only delegate their signing authority to subordinates and peers following the requirements of this policy. Such

designees have the responsibility to ensure adherence to applicable College policies, verify the availability of funds for anticipated budgetary commitments and obtain legal review. Even if signatory authority is delegated, ultimate responsibility remains with the delegating individual. Once the signatory authority has been delegated, no further sub-delegation is permitted. Delegation of signatory authority may be revoked at any time by the Chancellor/CEO of Health Affairs, the Vice President and General Counsel or the delegating individual.

VI. FINANCIAL SIGNATURE AUTHORITY LEVELS

Financial Signature Authority Levels	
\$1,500,000 and above	Board of Trustees
\$1,499,999.99 and below	President
\$99,999.99 and below	Chancellor/Chief Executive Officer CFO
\$5,000-49,999.99	Dean, Vice President
\$0-24,999.99	PI
\$1,000-4,999.99	Senior Associate Dean, Director
\$0-999.99	Department Head, Department Chair

VII. UNAUTHORIZED COMMITMENTS

Individuals who enter into unauthorized contracts or agreements may be subject to disciplinary action, up to and including termination.

VIII. EFFECTIVE DATE

This Policy shall be effective as of the date signed below.


IX. POLICY MANAGEMENT

Responsible Officers: President, Chancellor/CEO, Deans, Vice Presidents

Responsible Executives: President, Chancellor/CEO, Deans, Vice Presidents

Responsible Offices: As stated by the Policy

APPROVED:


 Edward C. Halperin, M.D., M.A.
 Chancellor for Health Affairs/CEO

6.17.15
 Date