



SAINT LOUIS
UNIVERSITY

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Delegation of Authority POLICY

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Classification: Sponsored Programs

Effective Date: 03/31/2010

Responsible University Office:

Vice President for Research

1.0 INTRODUCTION

OMB Circular A-21 requires that Principal Investigators (PI's) authorize all costs being charged to their grants to indicate allocability to the award. Many times the PI may have informally allowed key colleagues to provide this function for sponsored awards. While the PI may not relinquish ultimate accountability for the sponsored activity they are awarded, they may delegate the responsibility to authorize the allocability of a cost to the award, when certain conditions exist.

2.0 PURPOSE

The University must formalize the process by which a PI may delegate the authority to purchase goods and services for a specific award to key personnel in order to provide an efficient process while maintaining compliance with OMB Circulars. This policy and the related form provide the process and internal controls to formalize the Delegation of Authority process.

3.0 DEFINITIONS

Allocable: Costs incurred specifically for the sponsored program, or incurred for several activities but can be distributed between them in reasonable proportion to benefits received, and is clearly necessary to the program.

Allowable: Costs or revenues directly related to the performance, and permitted under the terms of an award and Office of Management and Budget (OMB) circulars. These transaction amounts must be reasonable and allocable to the award and given consistent treatment through generally accepted accounting principles appropriate for the circumstance.

Authorization: The process of giving someone permission to initiate a financial transaction, sometimes known as "approval", indicates agreement that a transaction meets certain accounting and compliance requirements as defined by the University and the compliance requirements of allowability, allocability, consistent treatment, is within the

begin and end dates of a sponsored agreement, and as set out in OMB Circulars A-21 & A-110.

Managerial Review: The process that provides assurance that appropriate individuals are authorizing and verifying accounting transaction information.

Timely: Within two (2) accounting periods after the accounting period in which a transaction originally occurred, or should have occurred.

4.0 APPLICABILITY

All sponsored activity at Saint Louis University.

5.0 POLICY

5.1 Department

The departmental office is responsible for obtaining and uploading the Delegation of Authority in the University's eRS system. This documentation should be retained for the duration of the award and follows normal record retention policies after the award has concluded. All delegation forms implemented during the award should be kept and not discarded to provide audit evidence for the specific time period being reviewed.

5.2 Delegation of Authority

The person allocating transactions to funds must be authorized. The PI may delegate authority for authorizing transactions to another employee. The department must manage delegated authority.

The key concepts of delegation of authority are:

- Delegation of authority must be recorded in systems that permit University level review (Departmental/Division/School-level authorization alone does not provide acceptable documentation for delegation of authority).
- Delegated authority exists only to the extent explicitly granted.
- Delegations can be made only to University employees.
- Delegate must have sufficient knowledge of:
 - The award to determine the benefit of the proposed transaction to the award.
 - The award to know that the transaction does not violate any terms and conditions of the award.
 - OMB Circular A-21 to know that the proposed transaction is allowable, allocable, and consistently treated.
 - The transaction or process to render the authorization or verification effective and meaningful.

The process steps necessary for delegation of authority are:

- Document the delegation of authority by completing the PDF form “Delegation of Authority”
- The PI should provide the documentation of the PDF form to the delegate, and the delegate’s departmental office.
- The delegate must sign the “Delegation of Authority Form” indicating their acceptance of the responsibility and related criteria.
- The department must upload the delegation of authority to the University’s eRS system.
- The departmental office must retain the delegation documentation form in accordance with the University record retention policies and the award agreement.

APPROVAL SIGNATURES

This policy was developed by:

The Office of the Vice President for Research

This policy has been approved by:



Raymond C. Tait, Ph.D.

Vice President for Research
Saint Louis University

March 31, 2010

Date

Revision History		
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