



UNIVERSITY HOSPITAL
Newark, New Jersey

SUBJECT:	LEGAL SERVICES	TITLE:	LEGAL COMMITMENT AUTHORITY		
CODING:	# TBD	ADOPTED:	July 1, 2013 by UH Board of Directors	AMENDED:	

LAST REVIEWED:

I. PURPOSE

To specify authority to sign agreements, contracts and other documents which legally obligate the Hospital.

II. ACCOUNTABILITY

The President/CEO in consultation with the Chief Financial Officer shall ensure compliance with this policy. The Chief Financial Officer and the Chief Operating Officer shall implement this policy.

III. REFERENCES

- A. Purchasing Process
- B. Contract Management
- C. Clinical Affiliation Agreements
- D. Corporate Integrity Agreement between the Office of Inspector General of the United States Department of Health and Human Services (the "OIG") and UMDNJ dated September 25, 2009, as amended by that certain Letter Agreement from Lee Penninger, Senior Counsel with the OIG, dated June 17, 2013 (collectively, the "CIA"). To the extent that a contract is a Focus Arrangement, the Focus Arrangement Database Policy and Focus Arrangement Approval Procedure must also be followed.
- E. Focus Arrangements Database Policy
- F. Focus Arrangements Approval Procedure

IV. POLICY

Guidelines:

The Board of Directors, pursuant to N.J.S.A. 18A:64G-6.1 et seq., has the power and duty to enter into contracts and agreements and has in the ordinary conduct of the general business of the Hospital delegated authority to sign agreements, contracts and other documents which legally obligate the Hospital (see EXHIBIT A). The Board of Directors has approved the following delegations of its authority to commit the Hospital to contracts and agreements:

1. Research grants, contracts, special programs contracts from governmental and private sources and documents which authorize the return or assignment of Intellectual Property rights to government entities or Hospital employees shall be executed by one of the following: the President/CEO, the Chief Financial Officer or the Chief Operating Officer.
2. Research grants, contracts, special programs contracts from governmental and private sources and documents that do not relate, include or otherwise impact ownership, control, licensure or any other use or property rights of Intellectual Property shall be executed by one of the following: the President/CEO, the Chief Financial Officer or the Chief Operating Officer.

3. Confidential Disclosure Agreements relating to research, licensing agreements and material transfer agreements shall be signed by the President/CEO, the Chief Financial Officer, or the Chief Operating Officer.
4. All clinical affiliation agreements must be drafted, approved and executed in accordance with Hospital policy.
5. Agreements for the procurement of architectural/engineering services, construction, and renovation services and the purchase or lease of real estate, and purchases resulting from the Waiver of Advertising, in excess of \$1,000,000.00 which have been recommended for approval to the Board of Directors by the Finance, Investment and Administration Committee, shall be signed by one of the following: the President/CEO, the Chief Financial Officer or the Chief Operating Officer.
6. The President/CEO, the Chief Financial Officer, or the Chief Operating Officer shall execute contracts as defined in Hospital Policies [Purchasing Process,] as well as any related Business Associate Agreement to such contracts. Also included are Purchasing Contracts as defined herein, Group Purchasing Organization (GPO) Agreements, State Purchase Bureau Contracts, Contracts resulting from Waiver of Advertising less than \$1,000,000.00, and Contracts for Goods and Services less than the bid threshold. Purchasing Contracts consist of a Request for Proposal, the Proposal of the Successful Bidder and the Contract Term Sheet for procurement of goods, equipment, professional and technical services by the Hospital.
7. Collective Bargaining Agreements shall be signed by the President/CEO or a designee.
8. Business Associate Agreements for which there is an underlying agreement that has been executed in accordance with this policy shall be signed by the President/CEO, the Chief Financial Officer or the Chief Operating Officer.
9. All other agreements in the ordinary course of business shall be signed by one of the following: the President/CEO, the Chief Financial Officer or the Chief Operating Officer.
10. Notwithstanding the delegation of authority to execute agreements set out in this policy, nothing herein shall be construed to supersede the Board of Directors' authority to approve agreements when required by other policies or other operating procedures.

In any case noted above in which the Board of Directors has delegated its authority to execute agreements to a Hospital officer's title, a Hospital officer and/or Director of the Board, senior to the designated Hospital officer may execute the agreement; by way of example only, the President/CEO for the Chief Financial Officer, the Chairman of the Board of Directors for the President/CEO, etc. Execution may be accomplished by original signature, facsimile or electronic signature.

All programs of service, education and/or research obligating the Hospital and/or any of its departments must be documented by a letter of understanding or contract, authorized by an appropriate Hospital officer, namely, the President/CEO, the Chief Financial Officer or the Chief Operating Officer. Unless authorized directly or by delegation of authority from the President/CEO, no such program obligation may be implemented prior to satisfactory completion and approval of the appropriate legal document.

To the extent that an agreement is a Focus Arrangement, as such is defined under the CIA, the Focus Arrangements Database Policy and Focus Arrangements Approval Procedure apply and must be followed.

The application of this Legal Commitment Authority policy will be audited on an annual basis as part of the Hospital's normal audit by an independent firm. Additionally, the Hospital's Chief Compliance Officer may conduct random audits of the application of this policy.

APPROVALS BY TITLE:	NAME:	SIGNATURE:	DATE: