

DA 0666

April 14, 1980

**CHANCELLORS
VICE PRESIDENT--AGRICULTURE AND UNIVERSITY SERVICES**

Re: Delegation of Authority--Expenditures Against Firm Commitments Under Contracts and Grants

Section 100.4(m) of the Standing Orders of The Regents delegates to the President the authority to permit expenditures against contracts and grants or against firm commitments thereon, provided that the contracts and grants have been solicited or negotiated in accordance with established Regental policy.

I am hereby delegating to you the authority to permit expenditures or commitments of funds against any approved research, training, or development contract or grant when a fully executed contract is in hand or a written notice of grant award has been received or, in the absence of such documentation, when (a) the contract or grant is within the solicitation authority previously delegated to you and you have satisfied yourself that a firm commitment exists to reimburse the University for the amount of its own funds advanced, and (b) there is an essential need to advance or commit funds (which normally means to pay salaries or meet other expenses of a continuing project).

For guidance in interpreting what constitutes a "firm commitment," General Counsel has provided the following:

While firm commitment has no legal definition, it is obviously something less than a contract. The phrase is applicable to situations where University personnel are advised by representatives of Government agencies that a contract or grant will be forthcoming, and the only delay is a ministerial one of document processing. An agency representative making such a representation must be one who can be relied on for such representation.

This delegation is effective immediately and supersedes the September 6, 1966 delegation on the same subject and President Hitch's related letter of December 3, 1969. Redelagation of this authority shall be in writing with copies provided to the Vice President--Financial and Business Management, the Assistant President--Coordination and Review, and the Secretary of The Regents.

David S. Saxon
President

cc: Members, President's Administrative Council
Principal Officers of The Regents