

II. COMMITMENT AND SIGNATURE AUTHORITY

A. POLICY

It is AURA policy to delegate authority to commit or approve commitment of the Corporation and to delegate corporate expenditure authority as set forth below. The individuals to whom authority is delegated in this policy should use their own judgment as to whether proposed work is consistent with the mission of AURA and its Centers.

Center management or the appropriate Center's Management Council shall submit to the AURA Corporate Office for review any proposal that may result or appears to result in either a change to or is inconsistent with the mission or character of the AURA Center in advance of the approval process. This review is to ensure that there are no conflicts with the Corporate Charter along with other factors.

B. PROCEDURES

1. Contracts, Purchase Orders, Grants, Subcontracts, Subawards

For the purpose of this procedure, a commitment is defined as a financial obligation for AURA.

- a. Authority to commit or approve commitment of the Corporation for more than \$3,000,000 is retained by the AURA Board of Directors. If the request originates with an AURA Center the commitment request shall be renewed and approved by the Centers Management Council prior to submission to the Board of Directors. In special circumstances, and on a case-by-case basis, this authority may be delegated by the Board Chair to the AURA President;
- b. The President, on behalf of the Corporation, is authorized to make commitments not in excess of \$3,000,000. At his/her discretion the President may require review and approval by a Center Management Council prior to final authorization. This authority may be delegated with such additional limitations as the President may desire;
- c. Each Center Director is authorized, on behalf of their respective Center, to make commitments, other than staff appointments (refer to Section B of the Policy and Procedure Manual), not in excess of \$1,000,000 within approved Program Plan limitations and within contractual authority. The Center Directors are authorized to delegate this authority within their respective Centers with such additional limitations as the Director may desire;
- d. Any Subcontract or Purchase Order requiring Contracting Agency written approval or consent and which is in an amount of \$1,000,000 or less shall be sent directly to the Contracting Agency

by the Center. After Contracting Officer approval, the Center Director or designee may sign for AURA, in accordance with the procedure above. Any Subcontracts or Purchase Orders for goods or services in excess of \$1,000,000 shall be sent to the Corporate Office for approval. The Corporate Office will then forward such request on to the Contracting Agency for its action. The AURA Corporate Office may delegate to the Center authority for submission to the funding agency directly; and,

- e. Signature authority for commitment extensions is governed by the same policy and procedure as indicated above. Amendments or modifications that result in commitments in excess of \$1,000,000 in the aggregate shall be approved by the President or designee.

2. Proposals and resultant grants or contracts:

- a. All proposals generated by AURA Centers shall adhere to the following approval requirements:
 - 1) Proposals involving funding of less than \$1,000,000 or less require only the Center Director approval;
 - 2) Proposals involving funding of more than \$1,000,000 but less than \$3,000,000 require the approval of the AURA President or designee; and,
 - 3) Proposals involving funding of \$3,000,000 or more require the approval of the AURA Board of Directors.
- b. Signature authority for commitment extensions is governed by the same policy and procedures as indicated above. Amendments or modifications that result in commitments in excess of \$1,000,000 in the aggregate shall be approved by the President or designee;
- c. All proposals being submitted to foreign governments or foreign organizations (i.e., not incorporated in the U.S. or not located in the U.S.) shall be submitted to the AURA Corporate Office for review and approval prior to submittal;
- d. All proposals requiring AURA Board of Directors approval will first be submitted to the appropriate Center's management Council for review and approval;
- e. All proposals, which require Board of Directors approval, will be presented in the form of a "Pre-Proposal Report" as described below. For good cause, the Board Chair may waive this requirement and will notify the Board of such action:
 - 1) The proposing Center Director shall prepare a "Pre-proposal Report" not exceeding five pages in length, containing the following information:

- a) A description of the Request for Proposal, what is being requested, the name of the requesting agency, and the due date for the proposal;
 - b) A brief summary of AURA's proposed work effort.
 - c) A description of subcontractors, partners or other required parties to the efforts and each one's proposed work effort;
 - d) Indicate the reporting lines and responsibilities;
 - e) Identify international considerations;
 - f) Indicate resource considerations including implied future commitments;
 - g) Indicate the relationship to AURA and Center long term plans;
 - h) Identify risks known as potential;
 - i) Provide schedule and progress points; and,
 - j) Other policy considerations.
- 2) The "Pre-Proposal Report" shall be prepared and submitted to the Corporate Office as soon as practical upon the Center's decision to produce a proposal. The AURA Corporate Office will attach comments within twenty-four hours of receipt and forward it to the Board of Directors and to the appropriate Management Council concurrently for its review and approval to proceed with the proposal.
- 3) Upon recommendation by the Management Council and approval by the Board to proceed to a final proposal for the Board approval, the Corporate Office will alert an "ad hoc" committee formed at the discretion and direction of the Board Chair, to take the responsibility to monitor the development of each such proposal and to present to the Board, in a timely manner, a recommendation for approval of the proposal or other actions as appropriate. Appointment to the "ad hoc" committee may include Board members and Management Council members.
- f. Proposals submitted in accordance with the procedures set forth above may be negotiated by the Center Director or designee. All modifications or amendments thereto may be executed by the Center Director or designee in any amount not greater than \$1,000,000. For those instruments, which are in amounts greater

than \$1,000,000, negotiation and execution is required by the President or designee on behalf of AURA subject to the following;

- 1) Negotiations do not result in changes which are contrary to AURA policies;
- 2) Negotiations of any proposal, which required prior AURA approval, do not result in any substantive changes to the science tasks to be undertaken; and,
- 3) Negotiations do not result in a reduction in the AURA management fee associated with the proposal without prior concurrence of the AURA President or designee.

g. Corporate Management Fee and Corporate cost recovery:

- 1) All proposals for new Grants, Cooperative Agreements, or Contracts, as permitted by regulation or law, shall include a line item for AURA Corporate management fee. The amount of fee is subject to case by case consideration and is set by the Vice President for Administration in consultation with the President;
- 2) All proposals for new Grants, Cooperative Agreements, or Contracts shall include a line item for AURA Corporate cost recovery referred to as F&A. The F&A rate is expressed as a percentage of all costs estimated to be incurred in a given fiscal year and is subject to periodic review with revisions to be published as written directives from the Vice President for Administration;
- 3) Proposal negotiation may not modify either the F&A rate or Management Fee amount without the approval of the AURA President or designee; and,
- 4) Proposals for contracts with commercial or other non-U.S. Government organizations contemplating receipt of payments in excess of the total of direct and indirect costs, shall be referred to the Corporate Office for guidance prior to submittal.

3. Memoranda of Agreement (MOA) or Memoranda of Understanding (MOU) between AURA (to include AURA Centers) and external organizations, which result from proposals, from sources either internal or external to AURA will be approved and signed by the President or designee. The President will keep the AURA Board of Directors informed of the initiation, progress towards, and completion of such MOA/MOU's.
4. The AURA President or his designee is authorized to apply to the selected Arizona, Hawaii, Maryland, New Mexico, and Washington, DC, FDIC banks and credit card companies and to execute any and all application forms

requested by said organizations for the issuance of a sufficient number of credit cards as deemed expedient for the use of officers, employees and/or agents of the Corporation.

5. Expenditures

a. The Center Directors are authorized to use facsimile signatures for signing checks to pay AURA employees and creditors. Each of the Center Directors also is authorized to prepare such checks to the limit of the Director's commitment authority as set forth above.

b. Each Center Director authorized to use a facsimile signature will:

1) Establish written procedures to provide an adequate internal control of the check writing function. A copy of those procedures will be provided to the AURA Corporate Office, to be updated as changes and modifications occur; and,

2) Review, personally or through an appointed designee(s), all checks written for amounts greater than \$100,000, and require tangible evidence of such review through initials or signature of the reviewer on the check or the accompanying voucher.

c. Payments for services in excess of \$1,000,000 will require the personal signature of a corporate officer.

6. All actions taken by the President, or designee, under this policy, shall be reported to the Board of Directors as an informational item.