Policy/Procedure Name: Signatory authority policy

Department: Business Operations

Purpose: Policy for the signatory authority of IUAA

Date of Last Update: March 26, 2009

Rationale:
The Indiana University Alumni Association, Inc. (IUAA) is a 501©3 not-for-profit corporation. All alumni chapters, constituent societies, and affiliate groups are under the legal umbrella of IUAA, Inc., and not Indiana University. Since IUAA is the legal entity and fiscally responsible for all of these groups, it is sound business practice for IUAA to be involved in any significant contracts/agreements which are entered by any of IUAA’s groups or by IUAA. Proper IUAA authority must be exhibited for the protection of IUAA, Inc. The Board of Managers of IUAA, Inc., delegates its authority to IUAA staff and key volunteers. They are defined as the paid professional staff of IUAA, school/campus alumni liaisons, or volunteers in officer positions with alumni chapters, constituent societies, and affiliate groups.

Policy:

Contracts/agreements
All significant contracts/agreements must be submitted to the president and CEO of IUAA for review and execution. A significant contract is defined as any contract that would have any one of the following elements:

- is not within the normal routine of IUAA business or approved budget,
- has a potential fiscal liability in excess of $25,000,
- generates yearly revenue in excess of $25,000,
- is multi-year,
- would involve the contractual sale of any of IUAA’s property, both real and intangible.

IUAA staff are allowed to enter into agreements that are part of the normal course of IUAA business within their approved operational budget area. Volunteer leaders are allowed to enter into contract/agreement so long as the contract/agreement doesn’t have any of the above listed element(s), nor is of greater value than the net worth of the alumni group.

Contract/agreements that change the focus of IUAA strategy, or are in excess of $50,000 in value, or commit the IUAA to a multi-year arrangement must go to the Board of Managers.

Banking accounts
Signature authority for IUAA corporate accounts will be the president and CEO; the vice president and CFO; and the director, business operations. The Indianapolis corporate account, in addition to the above signers, also will have the vice president and executive director, and the director for business management as additional signers. Checks in excess of $25,000 or manually written checks must have two signatures.
Signature authority for alumni chapter accounts will be at least one local officer and the Vice President & CFO of IUAA.

**Investment accounts**
Signature authority for IUAA investment accounts will be the president and CEO; the vice president and CFO; and the director, business operations. This would include the accounts at the IU Foundation. IUF policy requires two signatures for any withdrawals.

**Transfer of funds**
Transfers between bank and investment accounts (including ACH’s) in excess of $25,000 must have a second authorization.