



New Jersey Institute of Technology
University Policies

Effective Date: 07/01/2026

Sponsoring Functional Areas: The Office of Business Services, Finance Division

Title: Fiduciary Responsibility Policy

I. **Policy Statement**

This policy defines the responsibilities for requesting, reviewing, approving, and encumbering University funds and processing business transactions. It also ensures that all financial transactions are conducted with integrity, accountability, and in compliance with applicable requirements. This policy applies to all individuals responsible for committing or approving University funds, regardless of the funding source.

II. **Guiding Principles**

As a public institution, NJIT is a steward of funds from sources such as tuition, state appropriations, grants, contracts, and gifts. All financial transactions must:

- Be reasonable, necessary, and appropriate;
- Support the University’s mission and objectives;
- Comply with all applicable federal and state laws and regulations;
- Adhere to University policies and procedures;
- Follow sponsor, grant, and donor restrictions; and
- Withstand internal and external audit review and public scrutiny.

All individuals with financial responsibilities are expected to act in good faith and in the best interest of the University.

III. **General Requirements**

All individuals involved in financial transactions must:

- Ensure proper review and approval of all expenditures;
- Maintain appropriate documentation;
- Confirm availability of funds before committing expenses; and
- Avoid conflicts of interest and coordinate with [NJIT’s Ethics Liaison Officer](#) when a transaction appears to personally benefit the individual with approval authority or otherwise violate the State ethics regulations. Matters involving students will be referred to the Office of the Dean of Students.

IV. **Authority Types and Responsibilities**

This section defines the types of authority and the responsibilities associated with each role.

● **Financial Approval Authority**

The following roles fall under Financial Approval Authority:

- **Initiators:** responsible for creating and submitting financial transactions
- **Approvers:** responsible for reviewing and authorizing transactions

- **Delegated Approvers:** authorized to review and approve transactions on behalf of an approver
 - Delegation must be documented.
 - Delegates must be properly trained.
 - The original approver retains full responsibility for decisions made.
- **Principal Investigators (Sponsored Programs):** responsible for all financial activity related to sponsored projects

Financial Approval Authority includes the ability to review, approve, and authorize expenditures of University funds. It does not permit individuals to enter into contracts or legally bind the University. Individuals with Financial Approval Authority must:

- Verify that expenses are reasonable, necessary, and appropriate;
- Ensure compliance with laws, regulations, and University policies;
- Confirm availability of funds; and
- Review supporting documentation.

- **Signing Authority**

Signing authority is granted by the Board of Trustees and allows designated individuals to bind the University to contracts and agreements with external parties.

- Signing authority cannot be delegated.
- Only authorized individuals may execute agreements.
- Unauthorized commitments may result in personal responsibility for associated costs.

V. **Authority Thresholds**

Authority thresholds are based on transaction value and organizational role. Thresholds are aligned with Financial Approval Authority and Signing Authority responsibilities above.

Any cumulative financial expenditure exceeding \$1,000,000 with a single supplier within a fiscal year requires separate approval by the Board of Trustees through a formal resolution to ensure appropriate fiduciary oversight of significant financial commitments.

Financial Approval Authority Levels (Transactions)

(applicable to Initiators, Approvers, Delegated Approvers, and Principal Investigators)

Financial Approval Level	Authority Role
Less than \$10,000	Program, Project, Gift, or Grant (PPGG) Owner / Financial Manager
\$10,000 to less than \$50,000	Cost Center Division Lead / Division Head (e.g., Dean, Assistant/Associate Vice President, Vice Provost, Senior Vice Provost for Enrollment Management, Senior Vice Provost for Academic Affairs, Vice President for Information Services & Technology, Vice President for Communications & Marketing)
\$50,000 to less than \$150,000	Senior Vice Provost for Research, Vice President and Director of Athletics, Senior Vice President, Provost and Executive Vice President
\$150,000 and above	President

Signing Authority Levels (Contracts or Agreements)
(applicable to Board-authorized Signatories)

Signing Authority Level	Authority Role
Less than \$50,000 where there is a financial expenditure for goods or services	Dean, Albert Dorman Honors College Dean, Jordan Hu College of Science & Liberal Arts Dean, J. Robert and Barbara A. Hillier College of Architecture & Design Dean, Martin Tuchman School of Management Dean, Newark College of Engineering Dean, Ying Wu College of Computing
Any value	Senior Vice Provost for Research Provost and Executive Vice President of Academic Affairs Senior Vice President of Finance and Chief Financial Officer Senior Vice President of Human Resources and Institutional Access Senior Vice President of University Operations Senior Vice President of Student Affairs and Dean of Students General Counsel and Senior Vice President of Legal Affairs Senior Vice President of University Advancement President

VI. **Compliance Review Functions**

Certain transactions require review by specialized offices to ensure compliance with specific requirements.

- **Office of Research:** Reviews sponsored project expenditures for compliance with grant requirements
- **Environmental Health and Safety:** Reviews purchases involving hazardous materials
- **Information Services and Technology:** Reviews technology-related purchases and cybersecurity considerations
- **Campus Planning, Design & Construction:** Reviews furniture and facilities-related purchases
- **Office of General Counsel:** Reviews contractual terms from a legal risk standpoint
- **Risk Management:** Evaluates insurance requirements and risk exposure
- **Procurement Services & Contract Administration:** Processes financial transactions in compliance with applicable laws, policies, and competitive bidding requirements to uphold public trust and accountability; facilitates contract review, execution, and recordkeeping

VII. **Internal Controls and Audit**

The University conducts periodic reviews of financial transactions to ensure that proper documentation is maintained, that appropriate approvals are obtained, and for compliance with policies, laws, and restrictions.

Violations of this policy by employees may result in disciplinary action up to and including termination, as well as reimbursement of funds and/or legal action. Violations of this policy by students may result in disciplinary action, and sanctions may include, but are not limited to, reimbursement of funds and/or separation from the University.