

# GEORGETOWN UNIVERSITY



## FINANCIAL AFFAIRS MANUAL

Issuing Department: Financial Affairs		Topic Approvals/Signature Authorizations	Policy # FA127-08
New	Revised 8-2004, 10-2005, 10-2006, 1-1-2008	Supersedes Policy # Replaces PRO-4-201- 98, FA 145-04 and FA100-03	Effective Date 1/01/02

### 100 **POLICY:** Approvals/Signature Authorizations

**100.1 STATEMENT:** This policy describes the appropriate procedures and levels of approval for all Accounts Payable payments and advances, Consolidated Billing, Purchasing requisitions, non-employment Contracts, Payroll forms, Employee Reimbursements through Payroll, Sponsored Awards, cost-share agreements, sub-contract agreements and payments, and Treasury Operations forms (including wires).

**100.2 PURPOSE:** Sound fiscal responsibility for the University's funds requires that the person with the appropriate level of responsibility and accountability authorize the commitment of and approve the payment of University funds. A *Signature Authorization* form establishes the appropriate authority for an employee to approve various types of expenditures in the course of University business. The policy ensures compliance with state and Federal laws and regulations, provides effective financial management, and creates a flow of information that supports analysis, forecasting and planning.

Failure to comply with this policy can result in disciplinary action up to and including dismissal under Human Resources Policy #302 where applicable (for Staff employees).

**101 SIGNATURE AUTHORIZATION:** Unless the campus or University Services CFO cite more restrictive signatory thresholds that are published on the campus specific website, the following guidelines apply:

**101.1 Expenditures (including capital purchases), payment authorizations and contracts**

- a Total value under \$10,000: Department approval with signature authorization form on file with Financial Affairs
- b Total value from \$10,000 to \$99,999: Campus or University Services CFO or Designee.
- c \$100,000 and Over: The Senior VP, CFO and Treasurer or his/her designee

Note: Any contract with a term of three years or more, no matter the value, requires the signature of the Senior VP, CFO and Treasurer or his/her designee.

### **101.2 Sponsored Awards (Notice of Award)**

- a \$1 to \$4,999,999: Campus or University Services CFO, or Designee
- b Over \$5,000,000: The Sr. Vice President, CFO and Treasurer or his/her Designee
- c Awards with Cost Sharing: Campus CFO or Designee

### **101.3 Payroll Related Transactions**

- a Reimbursements, Recruiting/Relocation Expenses: As per Campus Guidelines
- b Salary Increases, Adjustments or Lump Sums: As per Campus Guidelines

Note: Payments of \$100,000 and over require the approval of the Sr. Vice President, CFO and Treasurer or designee.

**102 APPLICABILITY:** Applies to all employees for documents submitted to Accounts Payable, Payroll, Consolidated Billing, Sponsored Accounting, Office of Sponsored Research and Office of Sponsored Programs, Purchasing & Contracts, and Treasury Operations. This policy applies to all forms of payment, including wire transfers or any other type of payment made by any electronic media.

### **103 DEFINITIONS**

**Contract** - In this context, a contract is a binding agreement, written or oral, for the exchange of goods or services under prescribed conditions and costs. See <http://financialaffairs.georgetown.edu/procure/contracts.htm> for additional information.

**Requestor**- An individual employee authorized by the Department to initiate the payment or contract process. The requestor will complete the required forms and verify the receipt of any goods or services.

**Authorized Signature** – An individual employee authorized by the department head or CFO to approve the payment or contract process. Responsibilities include, but are not limited to, checking funds availability, ensuring allowability and allocability for sponsored awards, accuracy of payment or contract, and ensuring compliance. An authorized signer cannot also be the Requestor for the transaction or sign-off on payroll transactions, including reimbursements related to that individual or their supervisor(s).

**Document Routing**—Documents will need to be sent to the appropriate individual for approval, depending on the amount and type of transaction. In many cases campus policy or the authorized signer will require verification from other individuals before authorizing the transaction. This is known as Document Routing and individuals performing verification should sign or initial transaction documents in the appropriate manner.

**Sub-Contracts** –In some cases when undertaking sponsored activity or research the University will contract with other entities to perform some of the activity. This is known as a sub-contract and the entity assigned the work is known as the subrecipient. A large amount of federal funds received by Georgetown University are expended by subrecipients rather than by University departments. Management must continue to monitor the entities to which they grant their federal funds. Even though a department does not expend the funds for department use, the department is responsible for sufficient oversight of the funds to ensure (a) funds are spent in accordance with the federal grant requirements, and (b) objectives of the grant are met. Additional information on subrecipient authorizations and oversight are outlined in the the Subrecipient Policy:

[http://financialaffairs.georgetown.edu/sao/Policies\\_Procedures/subkmntr.pdf](http://financialaffairs.georgetown.edu/sao/Policies_Procedures/subkmntr.pdf)

**Cost-Share for Sponsored Awards**— Cost Sharing is defined as the portion of the total project costs of a specific sponsored agreement that is borne by Georgetown University (or in some cases, a third party), rather than the sponsor. Cost sharing or matching funds are required by some sponsors as a condition of award or can be volunteered on the part of the University to demonstrate its commitment to a project. Usually, these commitments must be included in the proposal. Refer to the link for more information.

[http://financialaffairs.georgetown.edu/sao/Policies\\_Procedures/costshre.pdf](http://financialaffairs.georgetown.edu/sao/Policies_Procedures/costshre.pdf)

## 104 ADMINISTRATION AND IMPLEMENTATION

The *Signature Authorization* form is evidence of the authority to approve transactions and must be on file in Financial Affairs. It is also the form that should be used by authorized signers to delegate authority. Note: All delegation of Campus level Authority requires the approval of the Campus CFO or University Services CFO.

Online users, including web users established in PeopleSoft, use their personal ID and password to log into the system as the electronic equivalent of their signature for on-line requisitions. On-line users can download the Operator Access Request Form at <http://financialaffairs.georgetown.edu/forms/forms.html>.

*Signature Authorization* forms and instructions are available online at <http://financialaffairs.georgetown.edu>

The Sr. Vice President, CFO and Treasurer can delegate his/her authority by completing a memo with a detailing of authority being delegated.

Signature Authority, except where otherwise noted, can be delegated by the authorized signer. These delegates cannot sub-delegate the authorization without the approval of the Campus or University Services CFO.

## **105 ROUTING REQUIREMENTS OF FINANCIAL AFFAIRS**

Any contract, sponsored award, payment or other document requiring the authorization of the Sr. VP, CFO and Treasurer requires a signature from the Campus or University Services CFO as part of the document routing, which will signify their recommendation for authorization.

## **106 ENFORCEMENT AND ACCOUNTABILITY**

Payment requests having improper or unauthorized approval signatures will be returned to the office submitting the request. In addition, unusual items will be referred to the appropriate Chief Financial Officer. Administrative Services will periodically review the Signatory Forms in case any questions arise about the authority of the signatory.

### **Position Descriptions**

Signature authority responsibilities, with specific performance standards, should be included in Position Descriptions for all employees who have signatory authority responsibilities.

All employees who have financial accountabilities should attend the prerequisite operational training courses through T&OD. Classes are listed at [http://www10.georgetown.edu/hr/training\\_development/index.html](http://www10.georgetown.edu/hr/training_development/index.html)

**Cancellation of signature authority is a departmental responsibility in the case of:**

- 1) Employee termination**
- 2) Employee job transfer**
- 3) Disciplinary action**

## **107 APPROVAL OF POLICY**

Associate VP, Administrative Services with review by Campus or University Services CFOs

## **108 REVIEW CYCLE**

Annually by Associate VP, Administrative Services.