

APS 4014 - Fiscal Roles and Responsibilities
ATTACHMENT A

GUIDANCE ON FISCAL ROLES AND APPROVAL AUTHORITY

When a signature (either manual or electronic) is applied to a *fiscal transaction*, the person signing is authorizing and/or approving future or past actions, based on some criteria. The criteria are usually policies, laws, regulations and rules, and contracts, grants, and donor restrictions. So, when someone signs her/his name on a document, he/she is saying that certain criteria have been met, the action can proceed (or is ratified if after the fact), and the person signing has the authority to sign and will be held personally accountable for the action per C.R.S. 24-30-202(3).

Each *fiscal transaction* requires signatures, whether electronic for on-line processes or manual for paper forms. Electronic signatures vary from the online submission of a transaction (e.g., submit for approval on a Requisition or Purchase Order) to a sender's email address in an authorizing email. Manual signatures must be the actual signature of the person signing the document. Rubber stamp signatures, other facsimile signatures, or signatures for another person (e.g., signed John Doe by Jane Smith) are not acceptable.

Definition of Roles

The Administrative Policy Statement APS *Fiscal Management Roles and Responsibilities* defines the various fiscal roles associated with business transactions at the University. An individual's responsibility for a specific fiscal role is assigned by her/his job description or through specific delegation from a higher authority. In personally participating in a *fiscal transaction*, each person takes on a specific fiscal transaction role and provides a specific certification as described in Tables 1 and 2. Signature authority is attributed to each of these distinct fiscal transaction roles. Table 3 illustrates distinct fiscal transaction roles detailed in Table 1 by common job position.

All *fiscal transactions* involve the fiscal transaction roles defined in Table 1. Individuals may carry out more than one fiscal transaction role for a distinct transaction. However, Administrative Policy Statement AP) *Fiscal Management Roles and Responsibilities* requires that at least two individuals are involved in every transaction. Therefore, for every *fiscal transaction*, the documentation must support the involvement of at least two unique University *employees* or *Affiliate fiscal staff*¹ (i.e., no one person can fulfill all roles). Further, all fiscal transaction roles are required to question the appropriateness of the *fiscal transaction*.

Personal Reimbursement Signature

For certain *fiscal transactions*, such as travel or other business expense reimbursement, an employee or non-employee is receiving personal reimbursement from the University for expenses incurred for university business. The person being reimbursed is required to sign as the Requestor on the *fiscal transaction*. The person signing as the Departmental Approver must be an individual in a position of authority to the Requestor and must be in a position to deny the request. If it is not possible or practical to obtain the signature of the Requestor, an exception to this policy may be granted by the appropriate campus Controller.

¹ If using an *Affiliate fiscal staff*, at least one University *employee* must be involved in the *fiscal transaction*.

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Additional Consideration related to the Departmental Approver Signer

Table 2 details the certifications required by the Departmental Approver signer. These certifications apply to the signature of the person who is signing as the Departmental Approver regardless of that person's assigned fiscal role, job description or position in the *Organizational unit*. If the *fiscal transaction* signer is not in a position to certify all of the Departmental Approver certifications, then she/he needs to obtain the signature of the person who can certify the Departmental Approver certifications. In this case, the actual *fiscal transaction* signer must maintain other physical evidence documenting the Departmental Approver's approval. There are several ways to obtain the Departmental Approver approval, such as:

- The *Organizational unit* may implement procedures to have the Departmental Approver document her/his approval by signing the request.
- The Processor could request an email from the Departmental Approver stating her/his approval.
- The Processor could send an email to the Departmental Approver confirming the approval is being provided by the email recipient unless the email recipient notifies their disagreement via a return email by a specified date.²

The need for additional external evidence is most applicable to electronic based processes where the person entering the *fiscal transaction* is technically only processing it (inputting into the electronic system) for the *employee* who approved the *fiscal transaction*. For example, for requisitions and purchase orders, the default Departmental Approver signature is the person processing the *fiscal transaction* in the *Finance System*. But the actual *employee* who can make the certifications of the Departmental Approver may not be the person processing the *fiscal transaction* in the *Finance System*. Therefore, the Processor should obtain the signature of the Departmental Approver and use that as authority to process the *fiscal transaction* in the *Finance System*. Please remember delegation of the administrative aspects of a task is not relief from responsibility or accountability.

Campus Controller Offices are available to provide assistance if an employee is unclear as to the meaning of or how to obtain evidence supporting any of these certifications.

Additional University Approver

Some transactions require an additional University approval signature from an *Officer* prior to their execution. Examples include but are not limited to:

- Official functions above a certain dollar threshold. (See Procurement Service Center Procedural Statement *Official Functions*)
- Gifts or donations to non-profit organizations. (See Procurement Service Center Procedural Statement *Sensitive Expenses*.)

² This (negative confirmation) approach is recommended as a mechanism to document a verbal authorization that has already been received, and should not be used with sensitive transactions (where a positive confirmation process should be used).

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- Dues and memberships. (See Procurement Service Center Procedural Statement *Sensitive Expenses*.)
- International travel. (See the Procurement Service Center Procedural Statement *Travel Authorization and Expense*.)
- Petty cash or change fund creation. (See the Procurement Service Center Procedural Statement *Petty Cash and Change Funds*.)
- Scope of Work form. (See the Procurement Service Center *Scope of Work* on the PSC Forms page at <https://www.cu.edu/psc/psc-forms>.)
- Unavailable Documentation. (See Procurement Service Center Procedural Statement *Unavailable Documentation*.)

Although the Additional University Approver is only required to provide assurance related to specific policies, it is recommended that the *Officer* have assurances that the *fiscal transaction* is in compliance with all other certification statements. Therefore, it is recommended that the Additional University Approval is not granted until after Departmental Approval is granted.

Administrative Compliance Approver

The University has *University Administrative Offices* that are required to perform limited reviews on certain *fiscal transactions*. These include, but are not limited to the Procurement Service Center, Human Resources, Sponsored Projects Accounting, Office of Grants and Contracts, Controller Office, etc. A *University Administrative Office's* signature (manual or electronic) on a *fiscal transaction* means that person has performed a review of the *fiscal transaction* and approves the *fiscal transaction* to the extent that the *University Administrative Office* is charged with ensuring the *fiscal transaction* complies with certain policies, laws, regulations and rules, and contracts, grants, and donor restrictions. The Administrative Compliance Approval does not relieve the Departmental Approver of responsibility.

Fiscal Misconduct

All employees associated with and signing a *fiscal transaction* in any capacity must be aware of and comply with:

- Board of [Regent Policy 13.E: Fiscal Misconduct](#)
- C.R.S. 24-30-202(3), *Procedures – Vouchers and Warrants – Rules – Penalties*
- Administrative Policy Statement *Fiscal Misconduct Reporting*

Further, the above should be considered prior to signing or approving any document or *fiscal transaction*.

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TABLE 1
Fiscal Transaction **ROLE DEFINITIONS**

<u>Role</u>	<u>What is the Role?</u>	<u>When Does it Occur?</u>	<u>How is it Documented?</u>
Requestor	The individual identifying the need for a <i>fiscal transaction</i> to accomplish University business. <i>(Note: If a Requestor does not have the authority to commit the University to the fiscal transaction, the Processor needs to obtain departmental approval before completing the fiscal transaction.)</i>	At the beginning of a <i>fiscal transaction</i> .	By various means resulting in documenting the person making the request – memo, email, hand-written note, on-line request, etc. If Requestor and Processor is not the same person, the documentation must be physical and not verbal. <i>(Consequence: if the Processor does not receive and keep the written request, then the Processor is considered to be the Requestor.)</i>
Processor	The individual guiding the <i>fiscal transaction</i> through the appropriate business process to successful completion. <i>(Note: The Processor is acting to commit the University and, thus, needs to have or obtain departmental approval before finalizing their action.)</i>	After obtaining departmental approval.	Various means of documentation depending on the <i>fiscal transaction</i> , but it must be in physical form (either in electronic or paper files). <i>(Note: If you receive verbal approval, send an email or other physical means to Departmental Approver confirming the approval.)</i>

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<u>Role</u>	<u>What is the Role?</u>	<u>When Does it Occur?</u>	<u>How is it Documented?</u>
Departmental Approver	The person ultimately held accountable for the <i>fiscal transaction</i> .	Depends on the transaction type, but usually, prior to initiation of the <i>fiscal transaction</i>. Personal reimbursement and Procurement Card transactions should occur only if within an <i>employee's</i> delegated authority, but the approval is always documented after-the-fact. Standing Purchase Order (SPO) payments of \$5,000 and less automatically pay after 30 days unless the invoice payment is placed on hold and, thus, also represent a situation where approval is made after-the fact. <i>If the Processor believes the risk associated with a specific transaction should require before-payment departmental approval, the Processor should put the SPO invoice on hold and not release it for payment until he/she has obtained the Departmental Approver signature.</i>	Various means of documentation depending on the <i>fiscal transaction</i>. Must be physical (either in electronic or paper files) and not verbal. <i>(Consequence: If the signer does not have the ability to make all required certification statements in Table 2, then the signer must have documentation from the other responsible individual attesting to the departmental approval.)</i>

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<u>Role</u>	<u>What is the Role?</u>	<u>When Does it Occur?</u>	<u>How is it Documented?</u>
Additional University Approver	An <i>Officer</i> that is required per University policy to provide additional assurance that the <i>fiscal transaction</i> complies with a specific applicable policy (Examples are included in Table 2.) (<i>Note: Additional approval from an Officer does not relieve the Departmental Approver of its responsibilities.</i>)	Depends on the transaction type, but usually, prior to initiation of the <i>fiscal transaction</i> . Personal reimbursement and Procurement Card transactions should occur only if within an <i>employee's</i> delegated authority, but the approval is always documented after-the-fact. (<i>Although the Additional University Approver is only required to provide assurance related to specific policies, it is recommended that this person have assurances that the fiscal transaction is in compliance with all other certification statements. Therefore, it is recommended that the Additional University Approval is not granted until after Departmental Approval is granted.</i>)	Various means of documentation depending on the <i>fiscal transaction</i> . Must be physical (either in electronic or paper files) and not verbal.
Administrative Compliance Approver	A person from a <i>University Administrative Office</i> ensuring the <i>fiscal transaction</i> complies with certain policies, laws, regulations and rules, and contracts, grants, and donor restrictions specific to the <i>University Administrative Office's</i> role (e.g., human resources, sponsored projects, controllers, budget office, procurement service center, etc.). (<i>Note: Additional approval from a University Administrative Office does not relieve the Departmental Approver of her/his responsibilities.</i>)	Depends on the transaction type, but usually, prior to completion of the <i>fiscal transaction</i> . Personal reimbursement and Procurement Card transactions should occur only if within an <i>employee's</i> delegated authority, but the approval is always documented after-the-fact.	Various means depending on the <i>fiscal transaction</i> . Must be physical (either in electronic or paper files) and not verbal.

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<u>Role</u>	<u>What is the Role?</u>	<u>When Does it Occur?</u>	<u>How is it Documented?</u>
Verifier	The person that confirms the <i>fiscal transaction</i> was properly recorded in the <i>finance system</i> as authorized.	Monthly after close of the <i>finance system</i> and distribution of monthly reports.	Various means depending on departmental policy.
Reviewer	Has ultimate accountability for the <i>Responsibility Unit</i> by ensuring the account categories for the <i>FOPPS (SpeedType)</i> are reasonable for the operational nature and within the resources (e.g., budget or net assets) provided for that operation. (Note: The Reviewer role is carried out at several levels – <i>Responsibility Unit</i> , <i>Organizational unit</i> , and <i>Functional area of responsibility</i> – by several individuals as required by the Administrative Policy Statement <i>Fiscal Roles and Responsibilities</i> .)	Monthly after close of the <i>finance system</i> and distribution of monthly reports.	Various means depending on departmental policy.

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TABLE 2
CERTIFICATION MATRIX FOR ALL GENERAL FINANCIAL TRANSACTIONS
ALL *FISCAL TRANSACTION* ROLES
(Except Administrative Compliance Approver)

Type of Certification ⁴	<u>Requestor</u>	<u>Processor</u>	<u>Departmental Approver</u>	<u>Additional University Approver</u>	<u>Verifier</u>	<u>Reviewer</u>
1. The goods/service represented by the <i>fiscal transaction</i> relates to the <i>Responsibility Unit</i> identified therein (i.e., as the recipient or sponsor).	✓		✓	5	✓ 6	7
2. The expenditure is in the best interest of the University and for official University business only. (See Administrative Policy Statement <i>Propriety of Expenditures</i> for further explanation).	✓		✓	✓		7
3. The expenditure does not appear to, nor does it actually, provide any personal benefit to an employee without there being a valid business benefit to the University.	✓		✓	✓		7

⁴ All certifications represent equally significant requirements and are not listed in an order to indicate importance.

⁵ Although the Additional University Approver is only required to provide assurance related to specific policies, it is recommended that this person have assurances that the transaction is in compliance with all other certification statements. Therefore, it is recommended that the Additional University Approval is not granted until after Departmental Approval is granted.

⁶ Verifier is responsible for confirming that the fiscal transaction directly pertains to the Responsibility Unit to which it is being charged.

⁷ Reviewer has responsibility to ensure that appropriate business process exist in the *Organizational unit* to ensure the accomplishment of the certification. In addition, the Reviewer ensures that account categories for the *Responsibility Unit* are reasonable for the operational nature of and within the resources (e.g., budget or net assets) provided for that operation.

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Type of Certification ⁴	<u>Requestor</u>	<u>Processor</u>	<u>Departmental Approver</u>	<u>Additional University Approver</u>	<u>Verifier</u>	<u>Reviewer</u>
4. The expenditure supports the accomplishment of University business, meaning that, without the expenditure, programmatic objectives would be difficult or otherwise more costly to achieve.	✓		✓	5		7
5. The expenditure is reasonable, meaning the quality and quantity of the goods or services were sufficient to meet, but not exceed, the identified need.	✓		✓	5		7
6. Amounts being requested represent actual costs.	✓		✓	5		7
7. Amounts are supported by transaction documents and appropriate supporting documentations (e.g., itemized original receipts, personal bills, invoices, cancelled checks, etc.) and adequate explanation.	✓ 8	✓	✓ 8	5	✓ 9	7
8. The goods/service was received by the University as invoiced for by the third-party.	✓ 8	✓	10	5		7

⁴ All certifications represent equally significant requirements and are not listed in an order to indicate importance.

⁵ Although the Additional University Approver is only required to provide assurance related to specific policies, it is recommended that this person have assurances that the transaction is in compliance with all other certification statements. Therefore, it is recommended that the Additional University Approval is not granted until after Departmental Approval is granted.

⁷ Reviewer has responsibility to ensure that appropriate business process exist in the *organizational unit* to ensure the accomplishment of the certification. In addition, the Reviewer ensures that account categories for the *Responsibility Unit* are reasonable for the operational nature of and within the resources (e.g., budget or net assets) provided for that operation.

⁸ Only when the Requestor or Departmental Approver is required to sign the *fiscal transaction*.

⁹ Verifies that amounts agree to the transaction documentation.

¹⁰ The Departmental Approver is responsible for ensuring that the receiving process is properly functioning.

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Type of Certification ⁴	<u>Requestor</u>	<u>Processor</u>	<u>Departmental Approver</u>	<u>Additional University Approver</u>	<u>Verifier</u>	<u>Reviewer</u>
9. The <i>account code</i> (asset, liability, revenue, expense or transfer) on the <i>fiscal transaction</i> is correct for the nature of the transaction.	✓	✓	✓		✓ ¹¹	7
10. The <i>fiscal transaction</i> complies with all applicable policies, laws, regulations and rules.		✓	✓	5		7
11. For sponsored projects, the cost is also allowable under the rules of the sponsor and the specific agreement.		✓	✓	5		7
12. For gifts, the cost is also allowable under the additional restrictions of the specific gift.		✓	✓	5		7
13. The expenditure is within approved budgets as determined by the appointed manager.		✓	✓	5		7
14. The <i>employee</i> certifies he/she has the authority to approve the <i>fiscal transaction</i> and can be held personally accountable for that action per C.R.S. 24-30-202(3). (See section on Fiscal Misconduct.)			✓	5		7

⁴ All certifications represent equally significant requirements and are not listed in an order to indicate importance.

⁵ Although the Additional University Approver is only required to provide assurance related to specific policies, it is recommended that this person have assurances that the transaction is in compliance with all other certification statements. Therefore, it is recommended that the Additional University Approval is not granted until after Departmental Approval is granted.

⁷ Reviewer has responsibility to ensure that appropriate business process exist in the *organizational unit* to ensure the accomplishment of the certification. In addition, the Reviewer ensures that account categories for the *Responsibility Unit* are reasonable for the operational nature of and within the resources (e.g., budget or net assets) provided for that operation.

¹¹ Verifier has responsibility to ensure that the account code being used accurately reflects the nature of the transaction.

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TABLE 3
ILLUSTRATION OF ROLES FOR CERTAIN FINANCIAL
TRANSACTIONS BY COMMON JOB TITLES¹²

<u>Financial Transaction</u>	<u>Requestor</u>	<u>Processor</u>	<u>Approver</u>	<u>Additional University Approver</u>	<u>Administration Compliance Approver</u>	<u>Verifier</u>	<u>Reviewer</u>
Departmental Purchase Order (DPO) on a sponsored project (<i>FOPPS</i> in Fund 30 or 31)	Principal Investigator (PI), Professional Research Associate (PRA), other sponsored project faculty	Departmental Administrator, PRA, Administrative Assistant	PI, Departmental Administrator	If an official function or if a scope of work over threshold, then appropriate <i>Officer</i>	If a scope of work, Human Resources	Departmental Administrator, PRA, Administrative Assistant	PI
DPO on a non-sponsored project (<i>FOPPS</i> outside of fund 30 or 31)	Any <i>employee</i> in the <i>Organizational unit</i>	Departmental Administrator, Administrative Assistant	Departmental manager or director, Administrative Assistant	If an official function or if a scope of work over threshold, then appropriate <i>Officer</i>	If a scope of work, Human Resources	Departmental Administrator, Administrative Assistant	Departmental manager or director

¹² The included list is not all-inclusive but is intended as limited example.