

APS 4014 - Attachment A

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ATTACHMENT A - Guidance on Fiscal Roles and Approval Authority

When a signature (either manual or electronic) is applied to a fiscal transaction Fiscal transactions Financial transactions occur within numerous University functions including Accounting, Human Resources, Payroll and Benefits, Procurement and Student Services. EXAMPLES OF FISCAL TRANSACTIONS Function/Transaction • Accounting o Asset Transfers/Disposition o Cash Transfer o Journal Entry (JE) o Interdepartmental Invoice/Order • Human Resources, Payroll and Benefits o Create or Modify Position (Employment Management) o One Time Payment (Payroll) o Payroll Expense Transfer (PET) o Payroll Funding Distribution o Time Collection Entry • Procurement (Purchasing, Payables or Travel) o Cash Advance o Departmental Purchase Order o International Travel Meal Diary Form o Official Function Form o Petty Cash o Procurement Card Allocation o Procurement Card Purchase o Payment (Expense) Voucher o Purchase Requisition o Standing Purchase Order Renewal/Requisition o Travel Authorization/Advance o Travel Voucher o Unavailable Documentation • Student Services / Bursar o Cash Receipt o Financial Aid Award o Tuition and Fee Charge o Tuition Waiver?, 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 Fiscal transactions Financial transactions occur within numerous University functions including Accounting, Human Resources, Payroll and Benefits, Procurement and Student Services. EXAMPLES OF FISCAL TRANSACTIONS Function/Transaction • Accounting o Asset Transfers/Disposition o Cash Transfer o Journal Entry (JE) o Interdepartmental Invoice/Order • Human Resources, Payroll and Benefits o Create or Modify Position (Employment Management) o One Time Payment (Payroll) o Payroll Expense Transfer (PET) o Payroll Funding Distribution o Time Collection Entry • Procurement (Purchasing, Payables or Travel) o Cash Advance o Departmental Purchase Order o International Travel Meal Diary Form o Official Function Form o Petty Cash o Procurement Card Allocation o Procurement Card Purchase o Payment (Expense) Voucher o Purchase Requisition o Standing Purchase Order Renewal/Requisition o Travel Authorization/Advance o Travel Voucher o Unavailable Documentation • Student Services / Bursar o Cash Receipt o Financial Aid Award o Tuition and Fee Charge o Tuition Waiver

requires signatures, whether electronic for on-line processes or manual for paper forms. Electronic signatures means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. 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 The categorization of Employees to indicate their fiscal responsibilities to the University as defined in Administrative Policy Statement Fiscal Roles and Responsibilities. Categories include Officers, Fiscal Principals, Fiscal Managers and Fiscal Staff. 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 Employees An individual who currently holds a University employment appointment, whether full-time, part-time, temporary, seasonal or hourly. or taxonomy="APS Glossary" term="Affiliate Fiscal Staff" Affiliate fiscal staff[[/glossary]?fn] If using an Affiliate fiscal staff, at least one University employee must be involved in the fiscal transaction. (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 Non-employees Individuals who work for their own interests and are not employees of the university, for example, independent contractors. Other examples of non-employees include • Volunteers who receive no compensation, other than paid expenses or a nominal fee • Students and trainees who are merely acquiring experience without the promise of a job or compensation • Members of the Board of Regents 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.

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. A subset of University operations. An Organizational Unit may be a department or any other distinct operational activity with the following characteristics: • Organizational permanency; • Programmatic autonomy; and • An annual operating budget that is fiscally independent. Within the Finance System, these areas are represented on the ChartField tree as Orgs.?. 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.^{sensitive transactions}
Sensitive transactionA transaction that may have numerous and complex university, state, or federal regulations associated with it, or a transaction that may be perceived as being in appropriate for support by public funds. (where a positive confirmation process should be used)."
- href="#footnote1_375uhai">1

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. The University's official financial records, used to record all University fiscal transactions and prepare the University's financial statements.?. 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 Official function A meeting, meal, or other function, that is hosted by an organizational unit, attended by guests and/or associates or employees, and held for official university business. Official Functions do not include student residential functions, which are defined as events designed to sustain ordinary residential life activities, such as resident hall advisory meetings and resident hall events. Conferences and Fundraising Events are types of official functions separately defined by the university to recognize the need for specific policies and procedures related to those types of events. The following describe the most common types of official functions. • Training functions are held to enhance staff knowledge or to educate employees, associates, or other individuals that are affected by the university's operations or regulations. Note: Training functions should have a written agenda, study materials, and be led by an identified presenter(s). • Community relation functions are hosted on behalf of external entities, or are activities directly related to the educational, research, or public service mission of the university. • Employee recognition functions are held for the purpose of acknowledging, appreciating, or honoring employees as a means of providing an encouraging and supportive work environment. • Goodwill functions are held to express condolence, sympathy, get-well wishes, celebrations of birth, or presentation of official items to official guests or volunteers as an indication of goodwill or esteem. • Multi-unit or multi-campus functions are infrequent events or meetings involving associates or employees from more than one organizational unit or campus. • Recruitment functions are held to enlist new employees, including faculty or post/pre-doctorates. • Retirement functions are held to honor departing or retiring faculty or staff members for their university service. • Student functions are hosted for students and are directly related to student or educational development. Examples include student recognition, student recruitment, and student program development. 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.)
- 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)
- 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 University administrative office An Organizational Unit that performs a specific functional service for the campus or University, such as the Budget Offices, Procurement Service Center, Human Resources, Sponsored Projects Accounting, Office of Grants and Contracts, Finance Office, Accounting Office, Payroll and Benefit Services.? 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*.

TABLE 1 - Fiscal Transaction Role Definitions

Role	What is the Role?	When Does it O
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Requestor	<p>The individual identifying the need for a fiscal transaction</p> <p><u>Fiscal transactions</u></p> <p><u>Financial transactions occur within numerous University functions including Accounting, Human Resources, Payroll and Benefits, Procurement and Student Services.</u></p> <p><u>EXAMPLES OF FISCAL TRANSACTIONS</u></p> <p><u>Function/Transaction • Accounting o Asset Transfers/Disposition o Cash Transfer o Journal Entry (JE) o Interdepartmental Invoice/Order • Human Resources, Payroll and Benefits o Create or Modify Position (Employment Management) o One Time Payment (Payroll) o Payroll Expense Transfer (PET) o Payroll Funding Distribution o Time Collection Entry • Procurement (Purchasing, Payables or Travel) o Cash Advance o Departmental Purchase Order o International Travel Meal Diary Form o Official Function Form o Petty Cash o Procurement Card Allocation o Procurement Card Purchase o Payment (Expense) Voucher o Purchase Requisition o Standing Purchase Order Renewal/Requisition o Travel Authorization/Advance o Travel Voucher o Unavailable Documentation • Student Services / Bursar o Cash Receipt o Financial Aid Award o Tuition and Fee Charge o Tuition Waiver?</u> to accomplish University business.</p> <p><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></p>	<p>At the beginning of a <i>fiscal transaction</i></p>
Processor	<p>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></p>	<p>After obtaining departmental approval</p>

Departmental Approver	<p>The person ultimately held accountable for the <i>fiscal transaction</i>.</p>	<p>Depends on the transaction type prior to initiation of the <i>fiscal transaction</i>. Personal reimbursement and Card transactions should occur on an <u>employee's</u> <u>Employees' Appointment</u> currently holds a University employee appointment, whether full-time, temporary, seasonal or hourly. authority, but the approval is documented after-the-fact.</p> <p>Standing Purchase Order (SPO) \$5,000 and less automatically hold and, thus, also represents where approval is made after the fact. <i>If the Processor believes the SPO with a specific transaction should be before-payment departmental approval, the Processor should put the SPO on hold and not release it for payment until he/she has obtained the Departmental Approver signature.</i></p>
Additional University Approver	<p>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></p>	<p>Depends on the transaction type prior to initiation of the <i>fiscal transaction</i>. Personal reimbursement and Card transactions should occur on an <i>employee's</i> delegated authority. approval is always documented. <i>(Although the Additional University Approver is only required to provide assurance to specific policies, it is recommended that this person have assurances that the fiscal transaction is in compliance with other certification statements and that the Departmental Approver recommended that the Additional University Approval is not granted until the Departmental Approval is granted.)</i></p>

Administrative Compliance Approver	<p>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></p>	<p>Depends on the transaction type. For example, prior to completion of the <i>fiscal transaction</i>, Personal reimbursement and Card transactions should occur. For an <i>employee's</i> delegated authority, approval is always documented.</p>
Verifier	<p>The person that confirms the <i>fiscal transaction</i> was properly recorded in the <u>finance system</u>. The University's official financial records, used to record all University fiscal transactions and prepare the University's financial statements. as authorized.</p>	<p>Monthly after close of the <i>financial year</i>, distribution of monthly reports.</p>

Reviewer	<p>Has ultimate accountability for the Responsibility UnitResponsibility unit</p> <p>Refers to the level of Organizational Unit or Sponsored Project for which an individual Fiscal Principal has responsibility.? by ensuring the account categories for the FOPPSFOPPSAn acronym (Fund, Organization, Program, Project, Subclass) commonly referred to as a SpeedType. These terms represent an accounting cost center in the Finance System (or subsystems), that is, they identify where financial activity occurs.? (SpeedTypeSpeedTypeCommon reference for the ChartField combination known as a FOPPS in the Finance System (or subsystems).?) are reasonable for the operational nature and within the resources (e.g., budgetBudgetA set of financial expectations (usually revenues and/or expenditures) for a given fiscal period (at least annually). 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>Organizational unit A subset of University operations. An Organizational Unit may be a department or any other distinct operational activity with the following characteristics: • Organizational permanency; • Programmatic autonomy; and • An annual operating budget that is fiscally independent. Within the Finance System, these areas are represented on the ChartField tree as Orgs.?, and <i>Functional area of responsibility</i> – by several individuals as required by the Administrative Policy Statement <i>Fiscal Roles and Responsibilities</i>.)</p>	Monthly after close of the <i>fin</i> distribution of monthly report
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TABLE 2 - Certification Matrix for All General Financial Transactions

All Fiscal Transaction Roles

(Except Administrative Compliance Approver)

Type of Certification 2	Requestor	Processor	Department Approver
<p>1. The goods/service represented by the fiscal transaction</p> <p><u>Fiscal transactions</u></p> <p><u>Financial transactions occur within numerous</u></p> <p><u>University functions including Accounting,</u></p> <p><u>Human Resources, Payroll and Benefits,</u></p> <p><u>Procurement and Student Services. EXAMPLES</u></p> <p><u>OF FISCAL TRANSACTIONS</u></p> <p><u>Function/Transaction • Accounting o Asset</u></p> <p><u>Transfers/Disposition o Cash Transfer o Journal</u></p> <p><u>Entry (JE) o Interdepartmental Invoice/Order •</u></p> <p><u>Human Resources, Payroll and Benefits o</u></p> <p><u>Create or Modify Position (Employment</u></p> <p><u>Management) o One Time Payment (Payroll) o</u></p> <p><u>Payroll Expense Transfer (PET) o Payroll</u></p> <p><u>Funding Distribution o Time Collection Entry •</u></p> <p><u>Procurement (Purchasing, Payables or Travel) o</u></p> <p><u>Cash Advance o Departmental Purchase Order o</u></p> <p><u>International Travel Meal Diary Form o Official</u></p> <p><u>Function Form o Petty Cash o Procurement Card</u></p> <p><u>Allocation o Procurement Card Purchase o</u></p> <p><u>Payment (Expense) Voucher o Purchase</u></p> <p><u>Requisition o Standing Purchase Order</u></p> <p><u>Renewal/Requisition o Travel</u></p> <p><u>Authorization/Advance o Travel Voucher o</u></p> <p><u>Unavailable Documentation • Student Services /</u></p> <p><u>Bursar o Cash Receipt o Financial Aid Award o</u></p> <p><u>Tuition and Fee Charge o Tuition Waiver?</u></p> <p><u>relates to the Responsibility Unit</u></p> <p><u>Responsibility</u></p> <p><u>unitRefers to the level of Organizational Unit or</u></p> <p><u>Sponsored Project for which an individual Fiscal</u></p> <p><u>Principal has responsibility.? identified therein</u></p> <p><u>(i.e., as the recipient or sponsor).</u></p>	X		X

Type of Certification 2	Requestor	Processor	Department Approver
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).	X		X
3. The expenditure does not appear to, nor does it actually, provide any personal benefit to an employee. <u>Employees: An individual who currently holds a University employment appointment, whether full-time, part-time, temporary, seasonal or hourly.</u> without there being a valid business benefit to the University.	X		X
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.	X		X
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.	X		X
6. Amounts being requested represent actual costs.	X		X
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.	X6	X	X6

Type of Certification 2	Requestor	Processor	Department Approver
8. The goods/service was received by the University as invoiced for by the third-party.	X6	X	X8
9. The <u>account code</u> Account codeA ChartField used to identify the nature and financial type of a transaction: <u>generally asset, liability, net asset, revenue, expense, or transfer. The complete chart of accounts is available here. Here is an easy reference list of accounts.</u> ? (asset, liability, revenue, expense or transfer) on the <i>fiscal transaction</i> is correct for the nature of the transaction.	X	X	X
10. The <i>fiscal transaction</i> complies with all applicable policies, laws, regulations and rules.		X	X
11. For <u>sponsored projects</u> Sponsored projects <u>Sponsored project awards are "exchange transactions" between an external sponsor and the University under a grant, contract, cooperative agreement, purchase order, or any other mutually binding award that restricts the use of funds or property and stipulates conditions with which the University must comply. The typical sources of such receipts include organizations at all levels of government (local, state, federal, or international) as well as private corporations and foundations., the cost is also allowable under the rules of the sponsor and the specific agreement.</u>		X	X
12. For gifts, the cost is also allowable under the additional restrictions of the specific gift.		X	X

Type of Certification 2	Requestor	Processor	Department Approver
13. The expenditure is within approved <u>budgets</u> <u>BudgetA set of financial expectations (usually revenues and/or expenditures) for a given fiscal period (at least annually).</u> as determined by the appointed manager.		X	X
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.)			X

TABLE 3 - Illustration of Roles for Certain Financial Transactions by Common Job Titles*

Financial Transaction	Requestor	Processor	Approver	Additional University Approver
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<p>Departmental Purchase Order (DPO) on a sponsored project (<u>FOPPSFOPPS</u> An acronym (Fund, Organization, Program, Project, Subclass) commonly referred to as a SpeedType. These terms represent an accounting cost center in the Finance System (or subsystems), that is, they identify where financial activity occurs.? in Fund 30 or 31)</p>	<p>Principal Investigator (PI), Professional Research Associate (PRA), other sponsored project faculty</p>	<p>Departmental Administrator, PRA, Administrative Assistant</p>	<p>PI, Departmental Administrator</p>	<p>If an official fu or if a scope work over threshold, the appropriate C</p>
<p>DPO on a non-sponsored project (<i>FOPPS</i> outside of fund 30 or 31)</p>	<p>Any <u>employee</u> <u>Employees</u> An individual who currently holds a <u>University employment appointment</u>, whether full-time, part-time, temporary, seasonal or hourly. ? in the <i>Organizational unit</i></p>	<p>Departmental Administrator, Administrative Assistant</p>	<p>Departmental manager or director, Administrative Assistant</p>	<p>If an official fu or if a scope work over threshold, the appropriate C</p>

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

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1. 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 transactionsSensitive transaction A transaction that may have numerous and complex university, state, or federal regulations associated with it, or a transaction that may be perceived as being in appropriate for support by public funds. (where a positive confirmation process should be used).

2. All **certifications represent equally significant requirements and are not listed in an order to indicate importance.**
3. a. b. c. d. e. f. g. h. i. j. k. 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.
4. Verifier is responsible for confirming that the fiscal transaction directly pertains to the Responsibility Unit to which it is being charged.
5. a. b. c. d. e. f. g. h. i. j. k. l. m. n. 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.
6. a. b. c. Only when the Requestor or Departmental Approver is required to sign the fiscal transaction.
7. Verifies that amounts agree to the transaction documentation.
8. The Departmental Approver is responsible for ensuring that the receiving process is properly functioning.
9. Verifier has responsibility to ensure that the account code being used accurately reflects the nature of the transaction.

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