

Financial Policy & Procedure Instructions Manual
FPI A-5 Preparation and Approval of FPIs

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I. PURPOSE

To set forth the responsibility and procedures for development, approval, issuance of and compliance with Financial Policy and Procedure Instructions.

II. GENERAL

- A. Financial Policy and Procedure Instructions set forth practices, methods and instructions and prescribe responsibilities, approvals, forms, reports and so on. All financial and accounting procedures which require standard performance and continuity of operations should be formally issued as a Financial Policy and Procedure Instructions as outlined below.
- B. Financial Policy and Procedure Instructions consist of two categories as follows:
 - 1. General instructions which are normally distributed to and applicable to personnel of two or more directorates or departments of the University.
 - 2. Cross references that refer the reader to another source for the applicable University finance-related policy.
- C. These instructions are applicable to all personnel of the University and are effective on the date specified in the procedure.
- D. Financial Policy and Procedure Instructions will be periodically updated and distributed to all relevant University personnel through e-mail. The complete instruction manual is published on the World Wide Web.

III. RESPONSIBILITY

- A. Financial Policy and Procedure Instructions will be developed by the mutual effort of the operating department(s) concerned and the Business and Financial Services Department. The Business and Financial Services Department will ensure proper coordination and approval, proper format and identification, and will be responsible for issuance to all appropriate departments.
- B. It shall be the responsibility of the supervisors and employees involved to adhere to the procedure instructions as set forth until official revisions have been approved. It is the responsibility of the applicable operating supervisor and/or the Business and Financial Services Department to initiate any necessary revisions.

IV. PROPOSALS FOR NEW PROCEDURES AND/OR REVISIONS

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- A. Financial Policy and Procedure Instructions will be the responsibility of the Business and Financial Services Department. However, new procedures or changes to existing procedures may be proposed by any department of the University.
- B. To propose a new procedure, a draft of the should be submitted to the Director of Business and Financial Services's Office. A narrative explaining the need for the new procedure should also be included.
- C. To propose a change to an existing procedure, a draft should be submitted to the Director of Business and Financial Services's Office showing the procedure as it now exists and the proposed changes in capital letters. A narrative should also be included to explain the need for the change.

V. **APPROVAL**

- A. All procedures will be subject to review and approval by the Director of Business and Financial Services. The procedure may be submitted to the departments affected or other constituency groups for comments prior to approval.
- B. Prior to final approval and issuance, the procedure may also be submitted to the Vice President for Administrative Services for discussion with the President's Cabinet and to Internal Audit for comments.

VI. **HARDSHIP**

- A. Should any procedure present a severe hardship to any department or function which would impair the effective and efficient operation of that area, a hardship exemption may be requested from the Director of Business and Financial Services. This request should be in writing, clearly explaining the hardship and the alternate procedure which the area proposes to put in place.
- B. The Director of Business and Financial Services will review such requests and determine whether or not an exemption will maintain the integrity of the accounting and financial administration of the University. If the Director of Business and Financial Services feels the exemption is warranted, approval for the exemption and alternate procedure will be granted in writing for the specific department or function making the request. Such exemptions are valid for the current fiscal year only and must be renewed annually.

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