

Financial Policy & Procedure Instructions Manual
FPI B-1 Signature Authorization
Pending Conversion from FPI 06

FPI 06-Signature authorization

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I. PURPOSE

To specify policy and procedure for authorizing individuals to approve expenditure of University funds.

II. GENERAL

Authority to commit or charge University funds of over \$1,000 must be centrally requested, approved and controlled. Such actions are necessary to protect the University and individual employees and to comply with accepted audit and accounting principles.

III. POLICY

- A. All payroll documents require the signature of an individual as authorized in this instruction. Other documents which authorize the expenditure of more than \$1,000 must be signed by an individual so authorized.
- B. The president has delegated spending authority to all vice presidents, assistant vice presidents, deans, associate and assistant deans, the State Forester, Director of Experiment Station and Director of Extension Service to expend funds against any account assigned to an organizational entity under their jurisdiction which has appropriated funds budgeted to or revenue earned by that entity.
- C. The authority delegated in paragraph B above may be further delegated by the respective vice president or dean to a department head or other individual having college or department wide or equivalent responsibility. Approval to authorize expenditure of funds against specific accounts may also be delegated by the respective vice president or dean as necessary for operational efficiency. Generally such delegations should be made to directors, department heads, principal investigators, or other office administrators as deemed appropriate.
- D. A department head or higher individual may give written authorization to other personnel to make expenditures of \$1,000 or less for expenditures other than payroll. These authorizations are not included on the centrally approved authorized signature list. A copy of this authorization should be retained by the department or college.
- E. In no case will proxy signatures or rubber stamp signatures be accepted.
- F. Only regular University employees may be authorized to commit funds or receive goods and services on behalf of the University.
- G. Where signature of a "higher authority" is required on a document, the signature authorization cannot be delegated. Higher authority is defined as any individual

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with line authority over the payee on a document. Examples of procedures where this applies are Travel and Hospitality.

IV. RESPONSIBILITY

- A. Signature authority is not automatically delegated to new University employees or to individuals listed as the "responsible person" for an account.
 - 1. Deans and vice presidents are responsible for initiating new and changed signature authorization requests for their areas. They are also responsible for initiating requests to remove employees from the authorized signature list when they leave the University or move to another department.
 - 2. The president approves signature authorization of vice presidents. The academic vice president approves signature authorizations for deans.
 - 3. Deans approve signature authorizations for their directors, department heads and principal investigators.
 - 4. Nonacademic vice presidents approve signature authorization for their directors and department heads.
 - 5. The Director of Business and Financial Services will examine and administratively approve all valid signature authorization requests and will establish and issue lists of authorized signatures and facsimiles of such signatures to appropriate departments.
 - 6. The Office of Sponsored Programs is responsible for prior authorization of supplemental pay, retroactive changes of payroll costs and all nonpersonnel costs over \$500 for all 2-2, 2-9, 5-3 or 64 fund accounts. Any individual initiating an expenditure of these funds, is responsible for obtaining prior approval from the Office of Sponsored Programs.
 - 7. The Director of the Experiment Station is responsible for authorizing all equipment purchases and travel on 1-5 fund accounts. Any individual initiating an equipment or travel expenditure of 1-5 funds is responsible for obtaining prior approval of the Director of Experiment Station.
- B. Offices which process personnel, payroll, and purchasing documents; IMO's and journal entries are responsible for ensuring that an authorized University signature is present on all documents over \$1,000. The following areas are responsible for verifying that an authorized signature is present on the documents listed:
 - 1. Personnel Documents - The Office of Human Resources has responsibility for ensuring that authorizing and approval signatures are present on personnel documents.
 - 2. Payroll Documents - The Payroll Office has responsibility for ensuring that authorizing and approval signatures are present on payroll documents.
 - 3. Purchase Orders - The Purchasing Office is responsible for verifying that authorized signatures are present on Purchase Orders.
 - 4. Departmental Purchase Orders (DPO's) - Departments and Colleges are responsible for ensuring that an authorized signature is present. They are also responsible for obtaining approval signatures if applicable. The Accounts Payable Office is responsible for ensuring that the Certification line has been signed.
 - 5. Intramural Orders (IMO's) - The Accounts Payable Office is responsible for ensuring that an authorized signature is present on IMO's.
 - 6. Electronic Journal Entries - Departments and Colleges are responsible for ensuring that an authorized signature is present on backup documentation for electronic journal entries.
 - 7. Paper Journal Entries - General Accounting, Property Accounting or Sponsored Programs Accounting have responsibility for ensuring that an authorized signature is present if the entry exceeds \$1,000. General

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Accounting and Property Accounting will also verify that authorized signatures have been obtained if applicable.

8. Travel Documents - The Travel Section in The Accounts Payable Office is responsible for verifying that all travel is authorized and approved.

V. **PROCEDURES**

Specific account, blanket, and official functions authorization delegation. To obtain central approval for authorization to expend University funds, a Signature Authorization form (Attachment 1.) must be completed (including all required Department Head, Director, Dean, or Vice President approval signatures) and forwarded to the Office of the Director of Business and Financial Services, 202 Johnson Hall; a signature card must be included unless this card is already on file in Business and Financial Services.

VI. **SIGNATURE LISTS AND USE**

Business and Financial Services, Human Resources Services, and Purchasing Departments plus departments providing materials and services will be provided the following signature lists.

- A. **Authorized Signature Lists.** A current listing of all Colorado State University employees authorized to expend funds is available on Delphi. This list is also available in hard copy containing the following sections:
 1. **Section 1.** Blanket and official functions authorizations. A Blanket Authorization permits an employee to authorize expenditures for all accounts in a specific department. This section lists the name and/or position and organizational element (college, department or equivalent) for which blanket authorization is delegated per paragraph IIIB or C above. Official Functions authorization is also indicated for those individuals authorized to commit funds for this purpose(see FPI 10.00 for information regarding Official Functions expenditures).
 2. **Section 2.** Specific account authorizations. This section lists all University accounts in account number sequence and the names of all individuals (in alphabetical order) authorized to expend University funds against that account.
- B. **Facsimile Signatures.** An alphabetical listing of the facsimile signature of each individual authorized per this instruction is also issued.
- C. **Verification of Signatures.** University departments that process payroll or other documents which authorizing or committing the expenditure of more than \$1,000 verify the name of the authorizing individual and the authenticity of the signature. Documents without authorized signatures will be returned to initiating departments.

VII. **FORM SUPPLY** - <http://www.colostate.edu/Depts/BusFin/fm.html>.

Application for FRS/Delphi/CIS
Application for Official Function Signature Authorization
Application for Signature Authorization

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