

ADMINISTRATIVE PRACTICE LETTER

Section IV-E
Issue 1
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Effective 5/30/07

SUBJECT: DELEGATION OF AUTHORITY TO APPROVE FINANCIAL TRANSACTIONS

GENERAL

The employee, recorded at the Campus Business Office as the “person responsible” for the activity and control of an account, must personally approve all transactions in that account unless he/she has delegated in writing the approval function to another employee.

Currently the required approval of financial transactions is often indicated by rubber stamp signatures. This procedure raises the question as to whether the person whose name is on the stamp has actually seen and approved the transaction. Similarly, transactions are frequently approved in the name of someone other than the “person responsible” for the account.

The purpose of the Accounting Practice Letter is to ensure that proper controls are placed on the delegation of the function of approving financial transactions.

DELEGATION OF AUTHORITY

When the “person responsible” for an account wishes to delegate the authority and responsibility for approving transactions in that account to another employee, he/she should give written authorization to that employee to sign in his/her own name. A copy of this written authorization should be kept on file at the Campus Business Office.

Signature stamps may not be used to approve financial transactions. Transactions will not be processed or approved with a signature stamp.

APPROVED:

Chief Financial Officer and Treasurer