

 DALHOUSIE UNIVERSITY SPENDING AUTHORITY FOR UNIVERSITY FUNDS	<i>Policy Sponsor:</i> <i>Office of the VP Finance & Administration</i>	<i>Approval Date:</i> <i>June 2016</i>
	<i>Responsible Unit:</i> <i>Financial Services</i>	<i>Revisions:</i>

A: Background & Purpose:

This policy outlines the responsibilities for University personnel who have authority to commit or spend University funds and the terms under which they can delegate spending authority.

Application of this policy is intended to ensure that expenditure of University funds are approved at an appropriate level and that expectations for financial accountability are clearly communicated throughout the University.

B: Application

This policy applies to all expenditures of University funds.

This policy is to be applied in conjunction with all University policies, including but not limited to, the Procurement Policy, the Employment Requisition Policy, the Travel Policy, and the Document Execution/Contract Signing Authority Policy.

This policy defines the individual with authority to commit university funds from particular accounts. Other significant approvals may be required, including but not limited to:

1. **Contract Signing Authority:** An individual who has the authority to sign documents which create a binding obligation upon the University as defined by the Document Execution / Contract Signing Authority Policy.
2. **Reporting Authority (“One-Up”):** Reimbursement of expenditures must be reviewed by the individual at the reporting level above that of the claimant (individual requesting the reimbursement).

C: Definitions:

In this Policy:

- a. **University Funds** are all resources available for spending through the University Operating, Endowment, Ancillary, Capital, Research or Special Purpose accounts.
- b. **Unit Authority;**
 - i. For an Operating Account, the Unit Authority is the individual assigned responsibility for the budget and activities of a Faculty, or Major Service or Support Unit.
 - ii. For an Endowment Account, the Unit Authority is the individual assigned responsibility for the budget and activities of a Faculty or Major Service or Support Unit.

- iii. For an Ancillary Account, the Unit Authority is the AVP Ancillary Services or any other individual approved by the VP Finance & Administration.
 - iv. For a Research Account, the Unit Authority is the Principal Investigator to whom the research funds were awarded.
 - v. For a Special Purpose Account, the Unit Authority is the individual assigned responsibility for the budget and activities of a Faculty, or Major Service or Support Unit.
 - vi. For a Capital Account, the Unit authority is the individual assigned responsibility for the budget and activities of a Faculty or a Major Service or Support Unit, or the Assistant Vice-President Facilities Management or the Assistant Vice-President Capital Construction.
- c. **Delegate** is the individual who has been authorized by a Unit Authority to approve commitments and expenditures within a prescribed threshold on their behalf in accordance with this policy.
- d. **Proxy** is the individual appointed by the Unit Authority to act as Unit Authority in their absence (e.g. vacation) in accordance with this policy.
- e. **Major Service or Support Unit** is an administrative unit which has operational responsibilities and an annual budget allocation as communicated by Financial Services.

D: Policy:

1. The Unit Authority has overall responsibility for ensuring that the accounts assigned to them are administered in accordance with this Policy and any protocols published by the Controller. Delegating authority or appointing a proxy for an account does not diminish this responsibility.
2. Unit Authorities may delegate authority or appoint a proxy for an account under their authority in accordance with this Policy.
3. In the exercise of their authority under this Policy, the Unit Authority, Proxy and Delegate shall ensure there are adequate processes in place to:
 - a. Ensure that funds are used for the purpose for which they were received with reference to any terms or conditions specified by funding agencies, sponsors, donors or other contributors as applicable; and in accordance with University policies and procedures;
 - b. Ensure that expenditures will not result in other significant costs and obligations to the University (e.g. maintenance, utilities, etc.);
 - c. Ensure that there is appropriate supporting documentation to comply with procurement requirements;
 - d. Ensure that any contract or agreement associated with the transaction has been reviewed and signed in accordance with the Document Execution/Contract Signing Authority Policy;
 - e. Ensure there is adequate funding in the account available to commit to each expenditure;
 - f. Verify that goods or services have been received prior to approving invoices for payment.
 - g. Verify that goods or services have not been previously invoiced and/or paid;
 - h. Ensure that requests for payment are accurate;
 - i. Review ongoing charges for internal university services that are charged directly to the account and address any unauthorized charges with the service unit as soon as practical as ongoing charges are approved at the point of the initial request for service.
 - j. Assign the appropriate organization code and revenue or expense account number to relevant documents.

Delegation

4. Delegation of spending authority shall be made in accordance with the Procedures as outlined in this policy. Unit Authorities shall ensure that their delegates possess an understanding of relevant University policies and operational restrictions applicable to the unit in question, and that they are given access to financial information and systems necessary to fulfill their responsibilities.
 5. For Operating, Endowment, Capital, and Ancillary Budget accounts, the Unit Authority may delegate spending authority as follows:
 - a. To a Chair, Department Head, Director or Manager that is responsible for a budget of a department within a Faculty, or Major Service and Support Unit; or an individual with appropriate responsibilities as approved by the Controller.
 - i. **Total Budget Spending.** If total budget is delegated, then this individual may further delegate spending authority as follows:
 1. **\$100,000** to one individual who is a University employee (a faculty member or employee classified at a DPMG Level 5 or higher).
 2. **\$10,000** to other university employees as is appropriate in the circumstances.
 - ii. Where total budget is not delegated:
 1. **\$100,000.** No further delegation is allowed.
 2. **\$10,000.** No further delegation is allowed.
 - b. At the Faculty or Major Service and Support Unit level, **\$100,000** to up to two individuals who are University employees (a faculty member or employee classified at a DPMG Level 5 or higher) (e.g. Faculty Administrator). These individuals cannot delegate spending authority to others.
 - c. Across all levels of the Faculty or Major Service and Support Unit **\$10,000** to other university employees as is appropriate in the circumstances. These individuals cannot delegate spending authority to others.
6. For Special Purpose Accounts, the Unit Authority may delegate **\$100,000** to the **Special Purpose Account Holder**. A Special Purpose Account Holder is a University employee (a faculty member or employee classified at a DPMG level 5 or higher) granted the authority to open the account by the Unit Authority.

The Special Purpose Account Holder may further delegate spending authority of **\$10,000** to other university employees as is appropriate in the circumstances.
7. For Research Accounts, the Unit Authority may delegate spending as follows:
 - a. **Total Budget** spending authority on the account to either the Dean or Department Head/Chair only. These individuals cannot delegate spending authority to others.
 - b. **\$10,000** to other University employees as is appropriate in the circumstances. These individuals cannot delegate spending authority to others.

8. For Capital Accounts, for which the Assistant Vice President Facilities Management or the Assistant Vice President Capital Construction is the Unit Authority, the Unit Authority may delegate spending to employees within Facilities Management or Capital Construction, as appropriate, for the project in question
9. Delegations made under this Policy remain in effect until the Unit Authority removes the delegation, the employment status of the delegate changes, or the organization code for the account has been closed, whichever is earlier.
10. Unit Authorities shall review and confirm delegations made under this Policy on an annual basis.

Proxies

11. For all accounts except Research Accounts, the Unit Authority may appoint one proxy to act on their behalf during the Unit Authority's absence (e.g. vacation, short sick leave) for a period of time that is greater than one week and less than six weeks. A proxy has **all** of the powers of a Unit Authority during the period of the Unit Authority's absence. A proxy must be assigned in writing in accordance with the protocols as established by the Controller
12. For Faculty accounts, the Unit Authority may appoint an Associate or Assistant Dean with an academic appointment as described in the Academic Appointment Policy, or the individual to whom the Unit Authority reports as proxy.
13. For Major Service or Support Unit accounts, the Unit Authority may appoint an individual within the unit holding a position of DPMG level 8 or higher, or the individual to whom the Unit Authority reports as proxy.
14. The Vice-President Finance and Administration reserves the right to suspend or terminate spending authority, delegation, or proxy privileges.

E: Administrative Structure

This Policy is administered by the Controller. The Controller may publish protocols to support this policy.

F: Procedures

1. The Unit Authority shall electronically certify their responsibility as Unit Authority under this Policy through Web For Administrators, in accordance with the protocols established by the Controller.
2. The Unit Authority is required to annually confirm all delegates via Web For Administrators, in accordance with the protocols established by the Controller.
3. Delegation of Spending Authority under this policy must be done through Web for Administrator in accordance with the protocols established by the Controller.
4. Assignment of a proxy must be done in accordance with the protocols established by the Controller.
5. Authorization for expenditure of University Funds must be confirmed by the Unit Authority by electronic approval where available in accordance with protocols established by the Controller. When electronic

approval is not available, an original signature is required, in accordance with protocols established by the Controller.

6. When a Unit Authority, Proxy or Delegate requests reimbursement of expenses, the additional approval of the University employee to whom that individual reports is required.