



POLICY TITLE	General Fiscal Policies and Procedures	Policy Number	201
Section	Financial Affairs and Development	Approval Date	June 26, 2003
Subsection	General Financial Policies	Effective Date	June 26, 2003
Responsible Office	Office of the Vice President of Finance and Administration		

1.0 PURPOSE

2.0 REFERENCES

3.0 DEFINITIONS

3.1 Organized Activities Fund (OAF): A series of accounts which parallel the operational budgets of the instructional departments and are created as required to handle the sale of materials and services incidentally related to instruction, research, and public service, or which provide an educational and laboratory experience for students, and incidentally create goods and/or services that may be sold to students, employees, and the general public.

3.2 Authorized signature: The actual signature of the responsible individual authorized to sign university financial documents as outlined in this policy. A rubber-stamped signature is not acceptable on financial documents. Engraved plates authorized by the President are acceptable.

3.3 Authorized alternate signature: The actual signature of the individual designated by the department chairperson, director, dean, or vice president to act on behalf of the designating person in matters requiring signatures on university financial documents as outlined in this procedure. The individual designated as an authorized alternate will sign his or her own name and not the name of the higher supervisory officer who made the designation, or of any other person.

3.4 Financial documents: Documents used by the University to facilitate the orderly administration of its financial affairs, including documents of authorization and request relating to institution bank accounts, payrolls, requisitions and purchase orders, travel authorizations and expense reimbursements, petty cash, journal entries, fund transfers, and other documents described in this procedure.



4.0 POLICY

4.1 Organized Activities Fund (OAF)

4.1.1 Non-competition with Auxiliary Enterprises

4.1.1.1 Funds which are derived from Organized Activities Fund (OAF) sales shall not supplement or replace instructional funds provided by the state appropriations. The OAF shall not compete in any manner with the University's existing auxiliary enterprises (i.e., Bookstore, Food Service, and Student Center) for the sale of goods, services, or supplies to students, employees, or the general public.

4.2 Authorized Signatures on Financial Documents

4.2.1 Authorized signature: The actual signature of the responsible individual authorized to sign university financial documents as outlined in this policy. A rubber-stamped signature is not acceptable on financial documents. Engraved plates authorized by the President are acceptable.

4.2.2 Authorized alternate signature: The actual signature of the individual designated by the department chairperson, director, dean, or vice president to act on behalf of the designating person in matters requiring signatures on institution financial documents as outlined in this procedure. The individual designated as an authorized alternate will sign his or her own name and not the name of the higher supervisory officer who made the designation, or of any other person.

4.2.3 Financial documents: Documents used by the University to facilitate the orderly administration of its financial affairs, including documents of authorization and request relating to university bank accounts, payrolls, requisitions and purchase orders, travel authorizations and expense reimbursements, petty cash, journal entries, fund transfers, and other documents described in this procedure.

5.0 PROCEDURES

5.1 Procedure

5.1.1 In all university departments, the originator of a financial document will be required to obtain authorized signatures on the documents. The purchasing, payroll, and accounts payable departments will assure compliance to university policies by testing for proper signatures as well as checking as to the availability of the funds requested in duly authorized budgets. All



documents which are improperly signed will be returned to the initiating department. The document may be resubmitted when all proper signatures have been obtained.

5.1.2 Financial documents by which an individual requests payment to self for services rendered or for reimbursement of out-of-pocket expenses, or travel advance will require the approval of the next higher supervisory officer, department chairperson, dean, vice president, or the President. Requests by the President shall be signed by the Vice President of Finance and Administration.

5.2 Expenditure and Budget Transfer Procedures

5.2.1 Purpose and Scope

5.2.1.1 To clarify the handling of expenditures, overruns, and transfers from individual budget lines and to define budget management responsibility.

5.2.2 Procedure

5.2.2.1 Salaries and Benefits

5.2.2.1.1 All *Payroll Action Forms* affecting salaried positions will be verified by the Budget Office for available funds prior to processing and for further budgeting of salaried positions. If funds are not available, the *Payroll Action Form* will be returned to the originating department.

5.2.2.2 Hourly Wages

5.2.2.2.1 *Payroll Action Forms* and *Appointment Forms* will be checked by each budget manager for sufficient funds before being forwarded to Human Resources for processing. Departmental hourly funds must be carefully apportioned over the fiscal year or employment curtailed as funds are depleted.

5.2.2.3 Travel

5.2.2.3.1 Travel authorization and travel reimbursement funds will be checked by each budget manager for sufficient funds before being forward to the Controller's Office. The Controller's Office will monitor in-state and out-of-state travel balances and process *Travel Reimbursement* and *Travel Authorization Forms* when funds are adequate to accommodate the expenditure. If funds are insufficient, the travel request will be returned to the originating department.

5.2.2.4 Current Expense and Capital Expenditures.

5.2.2.4.1 Requisitions for current expense and capital items will be checked by each budget manager for sufficient funds before being forwarded to the Purchasing Office. Requisitions for



current expense and capital purchases will be verified for available funds prior to the issuance of an order by the Purchasing Office. Requisitions will be returned immediately to the department whenever funds are insufficient.

5.2.2.5 Overruns

5.2.2.5.1 Overruns will be the responsibility of each budget manager. Overrun notifications will be forwarded to departments by the Controller's Office (all accounts) and Budget Office (appropriated and university interest income). Managers are expected to contact the Controller's Office for clarification or assistance in researching specific questions or discrepancies. If the overrun can be rectified by a transfer from within the program or division, a *Budget Transfer Form* will be prepared, signed by the appropriate individuals, and forwarded to the Budget Office for processing. Overruns that cannot be remedied at the program/division level should be worked out directly with the appropriate dean and/or vice president.

5.2.2.6 Budget Restrictions

5.2.2.6.1 Budget managers may not transfer funds from salaried positions or benefits.**

5.2.2.6.2 Budget transfers may be made between appropriated funds (2-1xxxx) and within budgeted accounts. Budget transfers may not be made between funds (2-1xxxx to 2-2xxxx, etc.), having different revenue sources, or within accounts which do not have a budget established.

5.2.2.6.3 All transfers made to hourly or salary funds must include the appropriate transfer to benefits.

5.2.2.6.4 Fuel and Power funds are restricted and may not be used for non-fuel and power purchases except following Board of Regents approval and consistent with legislative intent.

5.2.2.6.5 Funds which are restricted by legislative intent language (such as short-term intensive training and university center) cannot be transferred, and must be used in accordance with legislative intent.

5.2.2.6.6 One-time supplemental funding approved by the Legislature must be used only for the purpose appropriated.

5.2.2.7 Unusual Budgetary Circumstances

5.2.2.7.1 In the event of insufficient institution revenue or state imposed budget cut, additional budget restrictions and/or freezes may be imposed by the President.



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5.2.2.7.2 In the event of revenue beyond the existing university work program, budget managers may submit projects through the appropriate dean and vice president to the President for funding consideration when the work program is amended.

*Individual vice presidents and/or deans may impose stricter procedures for capital purchases.

**Exceptions require approval by the appropriate vice president and Budget Office.

POLICY HISTORY		
Date of Last Action	Action Taken	Authorizing Entity