

UC Davis Policy and Procedure Manual

Chapter 330, Financial Management and Services

Section 10, Approval Authorization

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Responsible Department: Accounting and Financial Services

Source Document: UC Accounting Manual Chapter D-224-17

Exhibit A, Approvals

Exhibit B, Departmental Transactions for Purposes of Delegations of Approval Authority

I. Purpose

This section describes the policy and procedures regarding approval authority for departmental transactions and the delegation of that authority in both paper and electronic environments. Additional policy and procedure regarding approval authorization at UCDMC is described in UCDHS Hospital Policies & Procedures Manual Section 1831.

II. Definition

- A. Approval authority--the authority to act, to formally sanction an action.
- B. Department head--for the purpose of this policy, the head of any teaching, research, or administrative organizational unit or UCDMC cost center, service, or function that administers a budget.

III. Policy

- A. Separation of duties

Departmental financial administrative duties shall be separated so that one person's work routinely serves as a complementary check on another's work, and no one person has complete control of a financial transaction. (See Section 330-11.)

- B. Department head authority

Heads of organizational units by virtue of their appointments have been delegated authority to approve departmental transactions. This authority may be redelegated to departmental representatives within the policies presented in this section. The following qualifications are recommended for individuals who are delegated approval authority:

1. Active involvement with the activity being conducted.
2. Knowledge of the University budget process.
3. The technical skills required to use the administrative application systems involved in conducting the activity.
4. Familiarity with the policies, rules, laws, regulations, and other restrictions on the use of funds sufficient either to ascertain compliance or to seek additional assistance when required.
5. Authority to disallow an inappropriate transaction without being countermanded or subject

to disciplinary action.

C. Approval authorization

Individuals authorized to expend funds from a department's budget must comply with applicable policies, regulatory requirements, laws, regulations, and special restrictions on the use of those funds. Refer to Exhibit A for an illustration of approvals required on common transactions originating in departments.

1. The original signature of an authorized departmental representative, written by her/his own hand (i.e., no rubber stamps), is required when the approval is documented on non-electronic forms.
2. Payroll and personnel transactions must be fully approved in accordance with the Organizational Roles and Responsibilities specified in the Payroll/Personnel System (PPS) Manual.
3. Departmental financial transactions must be routed to obtain all approvals required by applicable policies, regulations, and terms of awards and contracts.

D. Delegation of authority

1. There are two categories of departmental transactions for purposes of the delegation of approval authority (see Exhibit B). Department heads have authority to approve all Category I and Category II departmental transactions.
 - a. Department heads may redelegate approval authority for Category I departmental transactions to any responsible departmental representative, except where prohibited by specific policy. Examples of Category I transactions where approval authority may not be redelegated include orders for telephone credit cards and exceptions to per day/per diem allowances.
 - b. Department heads are expected to retain responsibility for final departmental approval of Category II transactions. If necessary, this authority may be redelegated to departmental officers who report directly to the department head as follows:
 - 1) To an academician for academic personnel actions and budget adjustments to academic salary objects.
 - 2) To the department's business manager, principal staff assistant, or management services officer for academic personnel actions for Readers, Research Assistants, Teaching Assistants, Postgraduate Researchers, Interns, Residents, and Post-MDs. Academicians retain responsibility for personnel actions in these titles, thus the staff member must indicate on the form(s) the name of the academician who approved the action.
 - 3) To the department's business manager, principal staff assistant, or management services officer for staff personnel actions and budget adjustments to other than academic salary objects.

Delegations of authority to approve Category II transactions must be approved by an officer at the next higher level.

2. Approval authority may be delegated by department heads only to University of California employees or UC affiliates under specific agreements.
3. Persons delegated approval authority may not approve payments to themselves or payments to others that directly benefit themselves. Such payments must be approved by another authorized person, usually the person of next higher authority.
4. Persons authorized to make changes in PPS/OPTRS (Online Payroll Time Reporting System) are not authorized to make changes that affect their own data.

E. Authorization forms

1. A DaFIS Approval Authorization or Cancellation form (<http://accounting.ucdavis.edu/Forms/>) is required to document delegations of authority by the department head for financial business transacted in DaFIS.
2. A PPS/OPTRS/PPS Decision Support (PPS DS) Access/Change Application form (<http://payroll.ucdavis.edu/forms.cfm>) is required to gain access to PPS, OPTRS, and PPS DS.
3. An OPTRS Post-Authorization Notification (PAN) Setup Request form (<http://payroll.ucdavis.edu/forms.cfm>) is required to complete PAN delegations. PPS entry update access and OPTRS access will not be granted unless a PAN delegation form accompanies the access request.
4. The appropriate approval or signature authorization/cancellation form must be promptly processed to cancel authorizations upon separation of an employee or transfer of an employee to a position not involving approval responsibility previously delegated.

F. Service units

Service units are responsible for assuring that approval authority for interdepartmental orders and, as appropriate, online access to electronic order systems are consistent with the above policies. Contact individual service units (e.g., Storehouse, Operations & Maintenance, UCD Bookstore) for information regarding access to their services.

G. Joint transactions in PPS

Each department is solely responsible for updating their respective appointment and distribution in the Payroll/Personnel System. Documentation of the approved transaction should be forwarded by the home department to any other departments involved with the shared employee. Under no circumstances should a department update an appointment or distribution that is not their own nor shall they update an appointment or distribution that does not have appropriate documentation for the approved merit/promotion.

IV. Procedures

A. Authorization of approvals

Responsibility	Action
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Department	<p>1. Completes DaFIS Approval Authorization or Cancellation form or PPS/OPTRS/PPS DS Access/Change Application.</p> <p>2. Retains original DaFIS Approval Authorization or Cancellation forms in departmental files.</p> <p>OR</p> <p>3. If Category II delegations are involved, forwards form to approving officer at next higher level, who approves and then returns to the originating department to be kept on file.</p> <p>4. Submits PPS/OPTRS/PPS DS Access/Change Application for approval and granting of access.</p> <p>5. Establishes online access to DaFIS and PPS/OPTRS/PPS DS in accordance with system procedures.</p>
Payroll Division	6. Sends approved PPS/OPTRS/PPS DS Access/Change Application to originating department.
DaFIS Account Managers and PPS Access Unit Managers	7. Monitors delegations to ensure they remain secure, accurate, and current.

B. Cancellation of authorizations

Responsibility	Action
Department	<p>1. Promptly cancels online access to DaFIS and PPS in accordance with system procedures.</p> <p>2. Completes DaFIS Approval Authorization or Cancellation form or PPS/OPTRS/PPS DS Access/Change Approval form.</p> <p>3. Retains original DaFIS Approval Authorization or Cancellation form in departmental files.</p> <p>OR</p> <p>4. If Category II delegations are canceled, forwards one copy to approving officer at next higher level; retains original in departmental files.</p> <p>5. Submits PPS/OPTRS/PPS DS Access/Change Approval form for cancellation of access.</p>
Payroll Division	6. Sends approved PPS/OPTRS/PPS DS Access/Change Approval form to originating department.

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V. Further Information

Further information may be obtained by calling Accounting & Financial Services, (530)757-8518, or by referring to DaFIS Training and PPS Manual websites (see addresses below).

VI. References and Related Policies

- A. UC Accounting Manual
(<http://www.ucop.edu/ucophome/coordrev/ucpolicies/policymanuals.html>) Chapter D-224-17, Delegation of Authority--Signature Authorization.
- B. DaFIS Training (<http://dafis.ucdavis.edu/training/>).
- C. Payroll/Personnel System User Manual (<http://payroll.ucdavis.edu/optrs.manuals.cfm>).
- D. UCD Policy & Procedure Manual:
 - 1. Section 300-10, Travel Rules and Regulations.
 - 2. Section 330-11, Departmental Financial Administrative Controls and Separation of Duties.
 - 3. Section 330-80, Entertainment with University-Controlled Funds.
- E. UCDHS Hospital Policies and Procedures Manual Section 1831, Signature Authorization.