

UC Davis Policy and Procedure Manual

Chapter 330, Financial Management and Services

Section 10, Approval Authorization for Departmental Transactions

Date: 2/5/16

Supersedes: 7/16/03

Responsible Department: Accounting and Financial Services

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

I. Purpose

This section describes the policy and procedures regarding approval authority for departmental transactions.

II. Policy

- A. Authorization to approve departmental transactions must be properly documented or assigned in the applicable business system and must comply with all requirements and restrictions related to the type of transaction.
- B. 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.
- C. Original signatures (written by hand) or electronic signatures (authenticated by user password) of an authorized departmental representative are required for approvals documented on paper or electronic forms.
- D. Departmental financial duties must be separated so that one person's work routinely serves as a complimentary check on another person's work, and no one person has complete control of a financial transaction (see [Section 330-11](#)).
- E. Individuals holding approval authority may not approve payments to themselves or to others that directly benefit themselves. Such payments must be approved by another authorized person, usually the person of next higher authority.

III. Authorities

- A. Department heads, by virtue of their appointments, hold authority to approve all departmental transactions.
- B. Department heads may assign authority to approve transactions to employees who have the following qualifications:
 1. Active involvement with the activity being conducted;
 2. A working knowledge of the University budget process;
 3. The technical skills required to use the administrative 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; and
 5. Authority to disallow a transaction without being countermanded or subject to disciplinary action.
- C. Department heads cannot delegate greater responsibility and decision-making authority than they have been delegated.

D. Joint appointments

1. Each department is solely responsible for updating their respective appointment and distribution in the Payroll/Personnel System and may not update an appointment or distribution that is not their own or for which they do not have appropriate documentation.
2. The home department forwards documentation of approved transactions to any other department involved with the shared employee.

IV. Further Information

- A. Additional information is available from [Accounting and Financial Services](#), (530) 757-8501.
- B. Access procedures for the campus financial information systems are available at http://afs.ucdavis.edu/systems/kuali/access_info.html.
- C. Access procedures for Payroll/Personnel system are available at <http://afs.ucdavis.edu/systems/pps/access-information/index.html>.

V. References and Related Policies

- A. [UC Accounting Manual Chapter D-224-17, Delegation of Authority—Signature Authority.](#)
- B. UCD Policy and Procedure Manual:
 1. [Section 330-11, Departmental Financial Administrative Controls and Separation of Duties.](#)