Approving Officials

Effective Date: July 1, 2010
Replaces: N/A – Original
Approved By: Steve McNally, Associate Vice Chancellor of Budget & Finance and Controller

1. Background and Purpose

Approving Officials (AO) within the University's procurement card program play a critical role to ensure sound fiscal management of university resources. AOs must adhere to a comprehensive set of responsibilities as set forth in the *Procurement Card Handbook*. Guidance concerning the approval authority of AOs comes from several University sources, including the following:

> Approvers may not approve their own transactions … nor are approvers permitted to approve transactions that provide personal reimbursement for their supervisor. —*Propriety of Expenses APS*

> Every transaction must be approved by an individual having … the authority to challenge or seek further approvals for questionable transactions. —*Expense Approval Process PPS*

The purpose of this Procedural Statement is to support a standard of rigorous internal controls by providing further authoritative guidance on the selection of AOs.

2. Procedural Statement

In order to establish a credible ability to challenge transactions, AOs cannot be subordinate to cardholders. Therefore, the following selection criteria shall apply.

1. AOs cannot report to the cardholder (as identified as a "Reports To" in the HRMS).
2. AOs cannot report to a supervisor who, in turn, reports to the cardholder.
3. Cardholders who hold a top administrative position (e.g., Vice Chancellors, Deans, and Directors) must have an AO who works in an appropriate unit outside of their own, normally the office to which the cardholder reports.
4. The AO for cardholding Chancellors shall work within the Vice Chancellor of Finance or campus Controller's office.

ABS is responsible for monitoring compliance with this Procedural Statement.

3. Exceptions

Exceptions must be approved by the Associate Vice Chancellor of Budget & Finance and Controller.

4. Resources

Propriety of Expenses APS
Expense Approval Process PPS
Procurement Card Handbook
PSC Forms