
Delegation of Expenditure Approval Authority

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| Policy Sponsor: | Vice President, Finance and Administration |
| Policy Contact: | Manager, Financial Operations |
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| Approval Group: | Governors of Athabasca University, Motion # 171-4 |
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| Review Date: | Annually at a minimum |
| Procedure: | Delegation of Expenditure Approval Authority Procedures |

Purpose

This policy defines Expenditure approval authority, and outlines to whom and when it may be delegated. This policy also documents limits related to delegation of expenditure approval Authority.

Definitions

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| Account Holder | The individual employee who is responsible for expenditures against a specific budget or account. |
| Approval | includes: <ul style="list-style-type: none">i) original hand written signature on a paper copyii) “electronic signature” means a graphical image of a handwritten signature attached to or logically associated with an electronic Record and executed or adopted by a person with the intent to sign the record. |



Executive Officer includes the President, Vice President Academic, Vice President Finance & Administration, Vice President Advancement and the Vice President Information Technology.

Expenditure Approval Authority is the authority of a delegated employee to initiate expenditures on behalf of the University, and certify receipt of goods or services and contract performance and price.

Policy Statements

This policy describes how Expenditure Approval Authority is granted and used to initiate and approve expenditures against a budget code and to certify contract performance, or receipt of goods and price.

All expenditures or commitments to expend, other than payroll transactions, must be authorized by an employee with delegated Expenditure Approval Authority.

Expenditure Approval Authority does not include the authority to make commitments to a vendor or contractor, or the ability to approve a payment from an AU bank account. These authorities are governed by the University's Purchasing Policy and Banking Resolutions.

Delegation of Expenditure Approval Authority:

The Governors of Athabasca University delegates expenditure authority to the President who then may sub-delegate to various budget account holders within the scope and limits of the approved budget and/or available funding.

Expenditure approval authority is delegated to a dollar value limit which is the greater of the individual commitment value or transaction value. Commitments may not be split in such a way as to avoid dollar value limits within this policy. The maximum possible delegation of expenditure approval for each staff level is according to the following limits:

President - Unlimited

Executive Officers - \$500,000

This authority is limited to expenditures and projects contemplated in the Annual Budget of the University and approved by the Governors of Athabasca University. Regardless of the net effect on the budget of the University, the initiation of any new projects or expenditures exceeding \$1 million must be approved by the Governors of Athabasca University.

The President and Executive officers have the authority to assign Account Holders and sub-delegate Expenditure Approval Authority to individual employees to a maximum of \$100,000 per transaction or commitment. Where operational needs can be demonstrated these Account Holders have the authority to further sub-delegate to other employees Expenditure Approval Authority to a maximum of \$50,000.



Delegation may be limited to specific accounts or categories of accounts, and to specific time periods. All new delegations of Expenditure Approval Authority are only effective once the employee to whom the Expenditure Approval Authority is delegated has completed the financial signing authority orientation provided by Financial Services.

An employee with delegated Expenditure Approval Authority can only approve expenditures or reimbursements originated by positions at a lower level in the organizational structure. The only exception to this is for the Manager Research Services, who can approve expenditures for all principal researchers, except for the Associate Vice President Research, the Vice President Academic, and the President.

Expenditure Approval Authority's Responsibilities:

Employees with Expenditure Approval Authorities shall ensure that all University Policy requirements are followed in the procurement of goods and services. All new employees with Expenditure Approval Authority are required to take the orientation training offered by Financial Services prior to initiating or approving any expenditures.

When approving an expenditure, an Employee with Expenditure Approval Authority certifies that:

The approver has delegated authority over the accounts to which the charge is being made.

The expenditure is within the dollar value limits of delegation.

The approver is knowledgeable about the purpose, and occurrence, of the expenditure or reimbursement.

The purpose of the expenditure or reimbursement aligns with the account being charged, and with any restrictions related to those funds.

The expenditure does not personally benefit themselves, their relatives, or their supervisor(s).

The employees approval does not create a perceived conflict of interest (refer to the [Code of Conduct for Members of the University Community](#)). Whenever there is a perceived or potential conflict of interest, the expenditure approval must be made by an Expenditure Approval Authority that is acting in a supervisory and not a subordinate relationship, within the departmental hierarchy.

Prior to payment of contracts for goods or services or reimbursement of expenses to employees an employee with Expenditure Approval Authority must certify that the goods or services were provided and the amount charged agrees to the related contract terms, or the relevant travel and expense claim policy.

Applicable Legislation and Regulations

[Post -Secondary Learning Act](#)



Related References, Policies, Procedures and Forms

[Delegation of Expenditure Approval Procedures](#)

[Research Administration & Budget Control Policy](#)

[Restricted Trust Accounts for Research Policy](#)

[University Approval to Forward an Application for Research Funds to an External Sponsor Policy](#)

[Purchasing Policy](#)

[Security of Digital Information and Assets Policy and related Procedures](#)

[Code of Conduct for Members of the University Community](#)

[Expense Reimbursement Policy](#)

History

Revised October 22, 2010 (Title Changed to “Delegation of Expenditure Approval Authority”)

Revised November, 2009

Revised March, 2006 (Note: In title, “Signing” changed to “Spending”)

April, 2002 (As “Delegation of Financial Signing Authority” Policy)