Faculty of Medicine guideline:

Approval of expenditures with two signatures

Effective Date: May 28, 2013.

This guideline outlines the minimum requirements and responsibilities for reviewing and approving expenditures. **The Faculty of Medicine requires a minimum of two signatures to approve an expenditure.** In certain circumstances, additional signatures may be required or recommended.

Faculty guidelines must meet standards set by UBC in its signatures and authorization policy (see Appendix 1), and may be more stringent. Department guidelines must meet the standards of UBC and the Faculty of Medicine, and may be more stringent. In addition, the requirements of relevant grant funding agencies must also be met (Tri-council and others).

In the table below, the responsibility of each signatory is outlined. ***Primary approval*** refers to the managerial responsibility of an authorized signatory to approve the nature of a transaction. This approves that the expenditures is appropriate and reasonable for the source of funds or budget which the manager is responsible to implement, as represented by a PG. The PG manager, Division or Department head and the Dean, or others similarly authorized, exercise primary or managerial approval and are accountable for a transaction. ***Financial authorization*** refers to the review that a transaction is correct, compliant within policy, accurate and complete. Finance staff should have a level of training appropriate to authorize a transaction.

Responsibilities for approval:

Signature	Who	When	What is authorized
Signature 1: Primary approval	PG Manager Must be an authorized signatory (or others with signing authority on a PG)	**Required for all transactions**	**The PG Manager has primary managerial responsibility and accountability for the nature of the transaction within the budget and funds for which they are responsible**: approves that the service or goods expensed were received and are appropriate and reasonable in relation to the purpose and amount of the budget for which the PG Manager is responsible.
Signature 2: Financial authorization of the correctness of the transaction	Finance/ Administrative Officer May be an authorized signatory. Must have training in UBC and FoM financial procedures and policies, and be capable of carrying out an adequate financial review.	**Required for all transactions** The same person must not provide both primary approval and financial authorization, in order to ensure segregation of duties.	**The finance officer is responsible and accountable for the correctness of the transaction**: authorizes that the expenditure is compliant with UBC, Faculty and department financial policies and procedures, is recorded correctly and accurately, and has been approved by an authorized signatory. This includes checking that the expense is complete and accurate, has the necessary supporting documentation, that sufficient funds are available, and that the expenses meet the requirements of the related funding agency.
Signature 3: Approval by one-over one	May be Division/ Department/ Unit head for PG managers.	Required for reimbursements. Recommended for high-risk/high-value items	Supervisory approval is required for all reimbursements to staff. Recommended that higher approval be applied for expenditures over $10,000 or other high risk items.
Signature 3 or 4: Approval by one-over one	Dean	Required for Dept/Unit head's own expenses. Recommended for high-risk or high-value items	Must approve reimbursements of Department/Unit head (replaces signature 3). Approves all Honoraria. Recommended to approve other high risk items.

Requirements:

- The PG Manager must be an authorized signatory for the PG they are signing against. If, unusually, they are not, then the Division or Department head or other authorized signatory for the PG provides the primary approval.
- One person cannot sign for both primary approval and financial authorization: these must be two signatures from two people.
- Where a PG manager who is the authorized signatory is off-site or not available, an e-mail confirmation will be accepted as a signature, providing the PG manager shows they have reviewed the expenditure. It is recommended to follow-up with a signature when the PG manager returns.
- All reimbursements **require** the approval of the supervisor, or "one-over-one." Where reimbursements are for staff reporting to a PG manager or within that team, this authorization happens before or when the PG manager approves (before signature 1 in the table).
- Where the PG manager is submitting for their own reimbursements against the PG for which they are responsible, they sign to indicate that their expenses were reasonable and appropriate for their budget and were not for personal use; the one-over-one signature of their supervisor, usually the division or department head, is also **required** as the primary approval. In turn, Department head's own expenses must have the one-over-one signature of the Dean.
- **These guidelines apply to**: Q-requisitions; purchase requisitions and orders; travel requisitions; smart forms; petty cash replenishment; journal vouchers; P-card reviews, AMEX cards and all other forms of expenditure.
- **Honorariums** to faculty or staff, as well as relocation reimbursement claim forms and any non-economy class travel, must be signed by the Dean. Individual professional fees may be high-risk and should be reviewed to determine that it is in fact a contractor relationship. HR may also be consulted.
- Purchase commitments above $3500 require a purchase order, and therefore additional review and approval from Supply Management.

Recommendations:

- Departments may choose in certain circumstances to ensure the Department Head reviews and signs certain types of expenditures, or all expenditures. It is nonetheless recommended that the Department delegate lower risk or routine expenditures to the PG manager as indicated here for primary approval. In some departments, the senior administrator may also review higher risk items to provide or support the primary managerial approval.
- It is recommended that the financial review be particularly careful for expenditures and personal reimbursements in the $2500 to $3500 range.
- It is recommended that the Department Head review and approve the following expenditures even where the PG manager has the delegated primary approval:
    - those above $10,000
    - all individual professional fees
    - those considered higher risk within the department, depending on the mandate and structure of the department. This might include software or hardware purchases, travel expenses, other.
- It is recommended that the Dean review and approve any expenditures considered higher risk by the Department Head or the financial reviewer upon their review.

Appendix 1 - UBC Signatures and Authorization Policy (in part)
See: http://finance.ubc.ca/node/240

- All requisitions for payment must be approved by an authorized signatory. In general, the authorized signatories are the Unit Head/Director, Project/Grant (P/G) Manager, and those listed as authorized signing authorities for the Department or P/G.
- When reimbursing an employee, the authorized signatory must be at least one administrative level higher than the employee requesting the reimbursement. This is referred to as "one-over-one" authorization.
- One-over-one authorization cannot be delegated to an administrator. An administrator cannot authorize employee reimbursement (even if he/she has signing authority at the P/G and/or Departmental level) unless the direct supervisor of the claimant has approved and signed the requisition for payment.
- One-over-one authorization also applies to payment to a third party when it involves employee expenses. I.e. travel and entertainment related expenses, membership dues, tuition fees, etc.
- All authorized signatories must complete a three-part UBC Signature Card and submit it to Financial Services. Any changes in departmental signing authorizations must be reported and filed with Finance on a timely basis.
- When a temporary signing authority is appointed in the absence of the official authorized signatory, an appointment letter/note must be attached to each requisition form.
- Applies to all faculties, departments and ancillary operations.
- There are no exceptions to the policy.