TEMPLE UNIVERSITY
POLICIES AND PROCEDURES MANUAL

Title: Authorization and Procedures on Personnel Actions and Internal Financial Transactions
Policy Number: 05.20.14
Issuing Authority: Office of Financial Affairs
Responsible Officer: Executive Vice President / Chief Financial Officer

Date Created: July 1, 2002
Date Last Amended/Reviewed: June 26, 2008
Date Scheduled for Review: July 2012
Reviewing Office: Office of Financial Affairs

Scope of Policy

This policy sets out the approval authorizations and procedures required for processing financial transactions and personnel actions within the university. It does not apply to financial transactions or personnel actions related to externally sponsored agreements. Such expenditures and actions must be made in accordance with the policy and procedures on Approval Authorization for Personnel Actions and Internal Financial Transactions related to Externally Sponsored Agreements #05.20.15.

This policy does not address approval of or signatures necessary to enter into a contract with an outside entity. (See policy #04.50.01, Contract Signing – Authorized Signatures)

Definitions

1. An **internal financial transaction** may be any one of the following:
   - Purchase Requisition
   - Check Request
   - Facilities Management Work Order
   - Travel and Expense Reimbursement Approval
   - Petty Cash Reimbursement
   - Approval of Payroll Hours
   - Approval of Tuition Remission

2. A **personnel action** may be any one of the following:
   - Employee Requisition (except student workers)
   - Student Worker Requisition
   - Hiring Decision

Request for Position Reevaluation
Request for Salary Change
Request for Special Compensation Payments
Approval of (Non-Study) Leave Request

3. If an employee is "**fully authorized**" for purposes of this policy, he or she is defined as having the authority to approve the type of financial transaction or personnel action in question, the authority to approve the amount in question (where applicable) and authority over the relevant cost center.

Policy Statement

1. All internal financial transactions and all personnel actions must be approved by a fully authorized university employee.

2. When any internal financial transaction or personnel action involves funds from externally sponsored agreements in addition to university funds, compliance with policy # 05.20.15, Administrative Policy and Procedures on Approval Authorization for Personnel Actions and Internal Financial Transactions Related to Externally Sponsored Agreements, islso required.

3. For each employee fully authorized to approve a financial transaction(s) and/or personnel action(s), a document must be on file in the controller's office containing a specimen of his/her signature, a list of financial transactions and/or personnel actions that he or she is authorized to approve, the maximum approval amount for each type of transaction or personnel action (where applicable), and the cost centers over which he or she has approval authority.

4. An employee shall be designated as Level 1, Level 2, Level 3 or Level 4, which automatically associates approval authority and/or a limit for each internal financial transaction and each type of personnel action. The president shall always be Level 1.

The following are further Level designations:

Level 1: Executive or senior vice presidents, vice presidents, provost, and others when approved by the president, with regard to cost centers over which they have budget authority.

Level 2: Individuals approved by a Level 1.

Level 3: Individuals approved by a Level 1 or Level 2.

Level 4: Individuals approved by a Level 1, Level 2 or Level 3.

Level 5: Special authorizations pursuant to Level 1 approval. Level 5 approvals are not for dollar amounts different than the stated levels. Rather, Level 5 approvals are for the

purpose of granting authority to certain employees to make routine payments of large dollar amounts for specific expenditures related to their departments, e.g., insurance premiums by the Office of Risk Management and Insurance.

5. The following limits or authorization approvals are established for Level 1, Level 2, Level 3 and Level 4 employees for each type of internal financial transaction and each type of personnel action:

EMPLOYEE LEVELS

Purchase Requisitions:	1	2	3	4
Capital Expenditures	50,000	25,000	5,000	N/A
Architects & Engineers	10,000	10,000	5,000	1,000
All Other Requests	maximum*	25,000	5,000	1,000
Check Request	maximum	25,000	5,000	1,000
Facilities Management Work Order	maximum	25,000	5,000	1,000
Travel and Entertainment	maximum	25,000	5,000	1,000
Petty Cash Reimbursement	yes	yes	yes	yes
Approving Hours for Payroll	yes	yes	yes	yes
Tuition Remission	yes	yes	no	no
Employee Requisition (except student workers)	yes	yes	no	no
Student Worker Requisition	yes	yes	no	no
Hiring Decisions	yes	yes	no	no
Request for Position Reevaluations	yes	yes	no	no
Request for Salary Changes	yes	yes	no	no
Request for Special Comp. Payments	yes	yes	no	no
Approval of (Non-Study) Leave Req.	yes	yes	no	no

* Maximum is defined as the full amount of funds available in the cost center to be charged.

A. Employee requisitions, position reevaluations and salary changes must be approved by the Budget Office as to budget availability before submission to Human Resources. Requisitions for full-time positions must have a position control number, which can serve as Budget Office approval. Temporary and part-time positions will still require a Budget Office signature. All purchase requisitions are subject to the Purchasing Department's policies and procedures.

B. Capital Projects in excess of $50,000 and architects/engineers' fees in excess of $10,000 require additional approvals. Capital projects between $50,000 and $300,000

require the approval of the president. Architects/engineers' fees between $10,000 and $50,000 require the approval of the president. Capital projects over $300,000, architects/engineers' fees over $50,000, and any real estate transactions involving acquisition by purchase, or disposition by sale, lease or other transfer of university property require board approval. These approvals are obtained by filling out a CER form, obtained from Facilities Management. (See Board of Trustees policy #04.32.01, Approval of Capital Expenditures)

C. Some expenditures will also require additional approval depending on the service or item to which the expenditure relates, e.g., all computer related expenditures in excess of $1,000 must be authorized by the Office of Computer Business Services. For a complete list of these requirements, see Purchasing Department policies and procedures.

6. At least annually, each Level 1 employee must review and approve a list, to be provided by the Controller's Office, of all individuals designated as Level 2, Level 3, Level 4 and Level 5 employees under his/her supervision.

7. A unit may wish to further restrict authority in one or more of the categories listed in #4 above as part of an internal procedure, i.e. limiting a Level 3 employee to $500 for check request approvals rather than $5,000. This policy does not restrict this practice, but the central administrative offices will only enforce the official limits established herein.

8. Employee may not delegate his/her authority to approve internal financial transactions or personnel actions to another employee in his/her absence. During such absences, the above employees must arrange for an employee at the equivalent or the next higher level to provide the necessary approvals.

9. Each person approving an internal financial transaction or personnel action must affix his/her own signature to the appropriate document. Signing someone else's signature is strictly prohibited.

10. No individual at the university may authorize his/her own travel expenses. (See the university's Travel Reimbursement Policy and Procedures)

11. Petty cash replenishments may only be approved by the petty cash custodian for that account. The maximum petty cash reimbursement will be established by the bursar. (See the university's Petty Cash policy)

Procedures

1. The Temple University Signature Authorization form is available on the controller's website at www.temple.edu/controller/form. This form must be used when authorizing an employee to approve a financial transaction(s) or personnel action(s). This form can be used for these purposes:

- New authorization
- Change authority

    - Amount
    - Centers
    - Name
  - Remove authority

A specimen signature must accompany the form whenever it is used, except to remove an individual's authority. The completed Expenditure Authorization form should be delivered to the University Controller's Office for distribution. No facsimile signatures will be accepted as approval for payment.

2. The University Controller's Office will be responsible for maintaining the scanned images available on-line.

3. The University Controller's Office will be responsible for creating and operating a computerized system which will provide each appropriate office with on-line access to the limits and account numbers for each fully authorized employee, and for entering all data into the system.

Notes

1. Dates of official enactment and amendments:

Approved by the president on March 5, 2002. Amended (prior to the effective date) on June 25, 2002. Effective July 1, 2002.

Amended October 31, 2002.

Amended on June 26, 2008.

2. History:

This policy replaces former Presidential Policy Statement No. I-5, which was approved by the president in Executive Cabinet on February 18, 1985.

A copy of Presidential Policy Statement I-5 is on file in the Office of the Secretary.

The amendment on June 25, 2002 substituted the term "externally sponsored agreement" for the term "restricted grant center" in the "Scope" section. In addition, the amendment revised the "Scope" section to reflect that the policy is not applicable to personnel actions related to externally sponsored agreements. Provision #2, regarding the use of Administrative Policy #05.20.15, Administrative Policy and Procedures on Approval Authorization for Personnel Actions and Internal Financial Transactions Related to Externally Sponsored Agreements, was added to the "Policy Statement" section and the subsequent provisions were renumbered accordingly. The words "the equivalent or" were added to the last sentence of Provision #8 in the "Policy Statement" section, and a

reference to the university's Travel Reimbursement Policy and Procedures was added to Provision #9 in the same section.

The October 31, 2002, amendment added the category of "Student Worker Requisition" to Provision #2 of the "Definitions" section and Provision #5 of the "Policy Statement" section.

The June 26, 2008, amendment increased the dollar thresholds for level 2, 3 & 4 employees and enabled level 2 employees to approve employee requisitions and reevaluations.

3. Cross References/Appendix:

Approval Authorization for Personnel Actions and Internal Financial Transactions #05.20.13

Administrative Policy and Procedures on Approval Authorization for Personnel Actions and Internal Financial Transactions Related to Externally Sponsored Agreements, #05.20.15

Approval of Capital Expenditures #04.32.01

Policies and Procedures of the Vice Provost for Research

Purchasing Department Policies and Procedures

University Travel Reimbursement Policy and Procedures

University Petty Cash Policy