Administrative Policy

Number:	P006
Effective:	6/22/2012
Supersedes:	07/20/07
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Subject: POLICY FOR ONE-UP (NEXT-LEVEL) AUTHORIZATIONS FOR BUSINESS EXPENSES

1.0. PURPOSE:

To establish the policy for maintaining appropriate internal controls with regard to authorization of business expenses and reimbursements.

2.0. ORGANIZATIONS AFFECTED:

All organizational units of the University, including auxiliaries.

3.0. REFERENCES:

3.1. Education Code, Sections 89720, 89750, 89752, 89756 and 89900(b).

3.2. Title 5, California Code of Regulation, Sections 42401 and 42404.

3.3. CSU Executive Order 1000, Delegation of Fiscal Authority and Responsibility.

4.0. POLICY:

California State University, Los Angeles (CSULA) is committed to maintaining appropriate internal controls with regard to authorization of business expenses and reimbursements. Internal controls comprise plans and procedures requiring appropriate levels of fiscal reviews and next-level authorizations in the safeguarding of assets. The objectives of a system of internal fiscal review and approval are to provide reasonable assurance that business expenses are properly reviewed and approved.

Administrators authorizing business expenses and reimbursements shall exercise reasonable care to review supporting documents and be satisfied that the transactions being approved are appropriate and in accordance to policies and procedures of the CSU; ensure expenditure commitments do not exceed available resources; monies are expended for their authorized purposes; and that the nature of expenses complies with program goals and policies of the California State University.

Employees requesting approval for business expenses and reimbursements are expected to provide complete and accurate information, as well as a thorough explanation of transactions

Approved: **Date:**

to better assist the authorizing official in the review process, and have an appropriate understanding of applicable policies and procedures.

5.0. DEFINITIONS:

5.1. Approving Authority - A person to whom authority has been delegated to approve expenses in accordance with University policy.

5.2. Next Level Authority - MPP approval.

5.3. Business Expense - All expenditures including, but not limited to, payroll, travel, purchases and reimbursable expenses.

6.0. RESPONSIBILITIES:

6.1. Employees/Approval Requester will:

6.1.1. Provide complete and accurate documentation, and explanations for all business expenses.

6.1.2. Review and ensure that all expenses are legitimate and comply with policies and procedures.

6.1.3. Obtain all necessary approvals prior to submission of expense claims.

6.2. Administrators/Approving Authority will:

6.2.1. Review all expense claim documents and ensure that expense claims are legitimate and proper supporting documentation has been provided.

6.2.2. Ensure that expenditure commitments do not exceed available resources.

6.2.3. Ensure that monies are expended for their authorized purposes and the nature of expenses complies with program goals, policies and procedures.

7.0. GUIDELINES:

7.1. Employees may not:

7.1.1. Authorize or approve his/her own business expenses.

7.1.2. Authorize or approve business expenses by or for a supervisor. Exception: the campus Chief Financial Officer is the designated approver for the campus President.

7.1.3. Authorize or approve business expenses made by a relative, spouse, or any other individual where conflicts of interest exist. Such situations require appropriate disclosures and approvals at the time of proposal by a next level approver.

7.1.4. Authorize or approve business expenses and reimbursements for which they have not been delegated authority.

7.1.5. Authorize or approve business expenses that result in any personal benefit from the transaction.

7.2. Approval authority may be limited at specific dollar levels. Transactions that exceed the specified dollar threshold would require approval at a higher level.

7.3. Under no circumstances should an approver with electronic approval authority allow another person to use the electronic signature on the approver's behalf.

7.4. Grants and Contracts:

7.4.1. Delegations of Approval from Faculty PI of Record to Co-PI(s) must be communicated in writing to Contracts and Grants Administration and the applicable Vice President prior to approvals.

7.4.2. Non-Faculty PI may not delegate approval authority for grant/contract disbursement; the non-Faculty PI uses the next level approver.

7.4.3. Fiscal Resources personnel are not authorized approvers.

7.4.4. MPP overload requests are recommended by the Provost/VPAA or applicable Vice President and approved by the President (reimbursed release time is not available to MPP).