![Saint Mary's University logo]

Name:	**Spending Authority Policy**
Policy Number:	12-011
Approving Authority:	Board of Governors
Approved:	June 14, 2023
Responsible Office:	Financial Services
Responsibility:	Vice President, Finance and Administration, Director, Financial Services
Revision Date(s):	
Supersedes:	
Next Required Review:	June 14, 2026

1. Purpose

The purpose of this Policy is to ensure the efficient operation of Saint Mary's University by implementing proper internal controls through the appropriate approvals and delegation of authority required for various transactions and activities at the University.

2. Jurisdiction/Scope

2.1. This Policy applies to all members of the University community who have been delegated authority for approving transactions.

2.2. This Policy outlines the minimum approval requirements for payment transactions, which include but are not limited to invoices, requisitions, interfund transfers, procurement card use, and travel expenses.

2.3. This Policy also outlines situations where it is appropriate to delegate authority and the procedures that should be followed to make such delegations.

2.4. This Policy is to be applied in conjunction with other University policies, including but not limited to, the *Procurement Policy*, the *P-card Policy* and the *Travel Policy.*

2.5. Out of Scope:

    2.5.1. This Policy <u>does not apply</u> to contractual arrangements, employment contracts, gift agreements, research proposals and contracts, and confirmation of Insurance.

    2.5.2. This Policy excludes approvals related to payroll transactions, appointments, hiring procedures for continuing employees, or employment review processes.

3. Definitions

3.1. Spend Authority – an individual with authority to make decisions with regards to spending, authorizing expenditures and committing university funds for a specific FOAP (Fund, Org, Account and Program or group of FOAPs). A Spend Authority means the applicable Dean, University Librarian, Chair, Program Coordinator, Director,

Department head for operational accounts or Principal Investigator (PI) for research accounts. A Spend Authority can create an Authorized Delegate.

3.2. One-over-One (One-up) Approval means that any transaction such as those involving travel, business meetings, entertainment or other personal expenses for faculty, or staff, including those with Spend Authority **must be approved by an individual who is at least one position over you or to whom you report to**.

3.3. Authorized Delegate – any person who has been authorized by a Spend Authority to approve commitments and expenditures within a prescribed threshold for an account on their behalf during their temporary absence.

4. **Policy**
  4.1. General Standards
    4.1.1. Those individuals with signing authority granted under this Policy have signing authority over their assigned FOAPs based upon the approved operating budget, or terms and conditions applicable to an approved research grant, capital or special project budget, internal or external reserve, trust or endowment.
    4.1.2. Reimbursement to faculty and staff or payment to a third party in relation to employee expenses is subject to <u>One-over-One Approval</u>.

    4.1.3. Notwithstanding any other provision in this Policy, a Spend Authority shall not approve expenditures or commitments of university funds where the individual has (or would be perceived to have) a conflict of interest.

  4.2. Spending Authority Areas of Responsibility

    4.2.1. Spending Authority responsibilities include:
      - Verifying receipt of goods and services
      - Verifying that goods and services have not been previously invoiced and/or paid
      - Ensuring a request for payment is accurate
      - Verifying the appropriate FOAP has been assigned and providing authorization to pay
      - Ensuring there is appropriate supporting documentation
      - Ensuring One-Over-One approval when reimbursing a faculty or staff member
      - Ensuring the current expenditures will not result in other significant costs and obligations to the University
      - Ensuring an **authorized delegate** is assigned in the event of their absence from the University.

  4.3. Delegation of Spend Authority
    4.3.1. If a Spend Authority is absent from the University and unable to approve expenditures, that Spend Authority may temporarily delegate their authorization using One-Over-One Approval, unless an external funding agency for a research or special project dictates a different process.
    4.3.2. An individual receiving delegated spend authority must still comply with the provision of this Policy and any other relevant Policy. Delegation does not relieve the Spend Authority from accountability for compliance with this Policy.

5. Related Policies, Procedures, & Documents

5.1. Saint Mary's University **Spending** Authority Policies

- 4-1024 Limited Tendering Justification
- 4-5005 Receipt of Cash/Security
- 4-1021 Pcard Policy
- 4-1014 Purchase Requisition
- 4-2005 Budget/Expenditure Adjustment
- 4-2010 Capital Expenditure Request
- 4-3001 Advance Requests

5.2 Other applicable policies

- 12-002 Legal Resources Policy
- 7-1004 Research Agreements Policy
- 7-1005 Research Funds – Use of NSERC and SSHRC General
- 4-1003 Research Grants - Procurement

6. Spend Authority Register

The following persons can authorize expenditures for a single transaction up to the limits below, assuming sufficient funds are in the budget. Single transactions more than an individual's authority require "One-over-one" approval, except sponsored research funding where the principal authority to approve expenditures contained within the grant budget and terms. Maximum Value of Transaction	Spend Authority
>$5,000,000	Board of Governors
Up to $5,000,000	President
Up to $1,000,000	Vice-President
Up to $500,000	Associate Vice President/Dean/University Librarian/Chief Information Officer
Up to $250,000	Senior Director
Up to $100,000	Chair/Director
Up to $50,000	Spend Authority