




UNIVERSITY of MASSACHUSETTS BOSTON
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FISCAL POLICY & GUIDANCE MEMORANDUM

TO: Vice Chancellors, Deans, Directors and Department Managers/Chairpersons
FROM: Leanne M. Marden, Controller & Director of Fiscal Operations 
DATE: September 19, 2017
SUBJECT: **Internal Control Activity: Signature Authorization Policy, Process and Forms**

Each year Administration & Finance conducts a review of the current internal control environment at the University of Massachusetts Boston. Internal control standards define the minimum level of quality acceptable for internal control systems in operation throughout the various state agencies and departments. UMass Boston's Internal Control Plan is a coordinated set of policies designed to achieve the goals and general financial management objectives of the University. They provide reasonable assurance for the University in the following areas:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with University Trustee Policy and President's Office Guidelines
- Compliance with state and federal laws and regulations, and
- Safeguarding of University assets and resources.

An important internal control component is the annual update of signature authorizations and delegations. The purpose of the signature authorization process is to ensure that all financial transactions are authorized and executed by the individual designated, in accordance with legislative, trustee and campus delegations of authority.

Annual Signature Authorization Process Highlights are as follows:

- Frequency — Signature Authorizations are renewed annually.
- Scope — The annual signature authorization process will apply to the following:
 - funds allocated to departments through the campus budgetary process
 - internal grant funds (e.g. Joseph Healey, Public Service, etc.)
 - financial aid funds awarded to the campus
 - gift funds

External grants are not included; they are subject to the Office of Research & Sponsored Programs authorization process.

Endowment funds are not included; they are subject to a separate authorization process.

- Range of Authority - Vice Chancellors, Deans, Directors and Department Managers/Chairpersons are considered the 'primary signatory authority' for financial transactions against University funds assigned to their department, unless otherwise determined by the Chancellor or a Vice Chancellor. Additional authorized signatories may be designated using the enclosed "Signature Authorization Form".
- Method of Authorization — All signatures must be original signatures; signature stamps are not allowed.
- Department Designations — The official department designations are maintained in the 'department table' of the university's financial system, along with the name of the primary Authorized Signer (stated as the Department Manager).

Instructions for Completing the Signature Authorization Form

Due Date: Signature Authorization Forms for **FY2018** are due in the Controller's Office on:

October 27, 2017

Distribution and Submission Process: The forms will be distributed to members of the Finance & Administration Advisory group for distribution to departments within their representative area. Completed forms should include signatures of the supervisory Vice Chancellor or Dean, before being forwarded to the Controller's Office.

Pre-Printed Information: The Signature Authorization Form was produced from information recorded in the University's financial accounting system as of **September 2017**. The pre-filled information appears in shaded areas, and includes the following:

- Department ID: The unique 10-character code that represents an entity of the campus for budgeting and accounting purposes.
- Department Description: The description associated with a department ID.
- Department Manager (refers to Chairperson in Academic departments): The University official responsible for financial activities in the department. This person is assumed to be the primary authorized signer of all financial transactions for the department, and the only individual who can delegate signatory authority for the listed funds.
- Fund Code/Fund Description: The University funds allocated to the department, and for which the Department Manager is responsible.
- Proj/Grant #/Proj/Grant Description: If a department has any University funds that are managed as a project, they will be pre-printed and shaded.

Note: If the Department Manager on this form is incorrect, please strike through the Department Manager listed on the form, and print the name of the new Department Manager above it. A representative from the Controller's Office will obtain final approval from the Dean or Provost/Vice Chancellor prior to updating the official record.

Information to be Completed by Departments: If additional persons are to be authorized to sign financial transactions on behalf of a department, the following information should be entered on the form:

- Name of Additional Authorized Signer: Please print the individual's name.
- Signature of Additional Authorized Signer: The individual must sign.
- TA (Transactions Authorized): For additional signers, the department must specify what transactions the individual is authorized to sign. (Refer to the Legend on the form.)
- Department Manager Signature & Date: The form must be signed and dated by the Department Manager, as identified in the upper right corner of the form.
- Dean or Provost/Vice Chancellor Signature & Date: The form must be signed and dated by the following:
 - For academic departments that report to a Dean, the Dean should sign here.
 - For academic departments that report to the Provost, the Provost should sign here.
 - For other units/departments, the applicable Vice Chancellor should sign here.

Thank you for your attention to this important authorization process. Please keep in mind that any delay in updating the signature authorizations may result in delays related to your financial transactions. We have allowed approximately five (5) weeks for you to return the form to the Controller's Office.

If you have questions about completing the attached form, please contact **Nancy Chincholi** in the Controller's Office at nancy.chincholi@umb.edu or call extension 7-5134.