

Spending Authority Policy Procedures

(June, 2023)

The UPEI Spending Authority Policy establishes the responsibilities of University employees who have the authority to commit and spend funds from a University account. The procedures for this policy are set out below.

SECTION 1: SPENDING AUTHORITY

- 1.1. Spending Authority, as defined and referenced in the Spending Authority Policy, is distinct and separate from a Signing Authority (the authority to sign documents that bind the University to a legal instrument). Signing Authority is addressed in the “Signing Authority Policy.”
- 1.2. The Spending Authority policy defines “Account Authority” as an individual with Spending Authority for a specific UPEI general ledger account. There can only be one Account Authority per general ledger account. This individual is ultimately responsible for the financial transactions for this account.
- 1.3. A general ledger account can have more than one Spending Authority but only one Account Authority.
- 1.4. Under the Spending Authority Policy, Spending Authorities are assigned a maximum value per transaction (based on their employment role within the organization) that can be authorized for all expenditures, requisitions and commitments of University funds. Common examples of authorization requests in which this policy applies include:
 - 1.4.1. External Purchase Requisitions;
 - 1.4.2. Requests for Payment;
 - 1.4.3. Internal Requisitions;
 - 1.4.4. Budget Changes;
 - 1.4.5. Corporate credit cards;
 - 1.4.6. Hospitality, Entertainment and Other Expenditures Authorization and Claim Form;
 - 1.4.7. Travel Authorization, Travel Advance and Travel Expense Report (Claim) Forms;
 - 1.4.8. Approval of student hours for payroll
 - 1.4.9. Staffing Authorization Requests for faculty, staff and students;
 - 1.4.10. Personnel Transaction Forms;
 - 1.4.11. Graduate Student Stipend forms

- 1.5. In cases where transaction values exceed the maximum value a Spending Authority can authorize, authorization shall be obtained following One-Over-One Authorization (see policy for definition).
- 1.6. PDTR travel and expense claims shall be counter-signed by one administrative level higher than the Traveler/Claimant to verify that the reimbursement is for University activities pertaining to the Traveler/Claimant's job requirements.

SECTION 2: DELEGATION OF SPENDING AUTHORITY

- 2.1 Section 6 of the Spending Authority policy sets out the terms and conditions whereby Spending Authority can be delegated to another University employee.
- 2.2 Financial Services shall receive written notification at least 5 days before Spending Authority is to be delegated. This notice should be made by completing the "Request General Ledger (GL) Viewing Access/ Delegate Spending Authority Form" and emailing it to financeforms@upei.ca.
- 2.3 Many Human Resource and Payroll transactions require approval of the Account Authority. When longer-term commitments are of a higher value, that Account Authority can not be delegated to another Spending Authority. Examples of these transactions include:
 - 2.3.1 Staffing Authorization Requests for faculty, staff and students;
 - 2.3.2 Personnel Transaction Forms;