

**February 2002
Updates to the Guidelines for Financial Management**

- Update web addresses
- Clarify language

Part I: Financial Management, II. D, #1: Changed wording to:

All cash, checks, or cash equivalents in excess of \$500 are to be deposited on the day they are received. If the cash, checks and equivalents are not deposited on the same day, departments must meet safe requirement standards as per Business and Finance Bulletin BUS – 49, Policy for Handling Cash and Cash Equivalents. If safe requirements are not met, departments must deposit cash in excess of \$500 immediately.

Part I: Financial Management, II. D, #2: Changed wording to:

If a department receives cash and/or equivalents that cannot be readily identified for a purpose, the department needs to contact Accounting Services and Controls for direction.

Part I: Principles of Regulatory Compliance, II. D, #5a. Changed wording to:

- a. Only the Purchasing Manager, authorized buyers, or specified University employees with a formal delegation may execute agreements or contracts.
For example:
 - 1) real estate and construction projects,
 - 2) the services of independent consultants,
 - 3) legal services,
 - 4) debt service, or
 - 5) any purchase where payment terms exceed seven years.

Part I: Principles of Regulatory Compliance, II. D, #5d. Changed wording to:

- d. Departments have low value authorization limits between \$500 and \$2,500. Purchases exceeding those limits, or any *equipment* purchase, must be conducted through the Purchasing department. The Purchasing department must maintain documentation of solicitations made to vendors, vendor responses, sole source justifications, and the contracts awarded.

Part I: Principles of Regulatory Compliance, II. D, #7. Deleted #7a – 7c.

**Part III: Accounts Payable, #2, Under the second “Standard,”
Recommended Practices, the wording was changed to:**

Recommended Practices

- Prior to obtaining the services of a consultant, or entering into a personal service agreement, the agreement must be reviewed and authorized by Business Services.
- Authorization for payments shall be a copy of the properly executed agreement.
- Payment may not be made for services rendered prior to the contract period unless proper approval has been obtained from Business Services and the invoice(s) meets contract terms.

**Part III: Business Travel & Moving Expenses, #2, Under the sixth
“Standard,” *Recommended Practices*, the wording was changed to:**

Recommended Practices

- Eligible travelers should request a corporate card.
- Travel advances may only be issued under the following circumstances:
 1. the traveler is not eligible to participate in the corporate travel card program,
 2. the traveler has incurred credit card expenses which must be paid before the trip is completed, or
 3. the travel requires special handling, such as group travel.
- Cash advances should not be authorized for any person who is 30 days delinquent in submitting a Travel Expense Voucher for a prior trip.
- The traveler must account for the total amount of all expenses and advances pertaining to a trip by submitting a Travel Expense Voucher within 21 days of the completion of the trip. Original receipts must be retained for submission with the Travel Expense Voucher.
- Advances must be refunded immediately if an authorized trip is cancelled or indefinitely postponed.

Part III: Cash Receipts. Significant changes were made to this section.

Part III: Equipment Management, #1, *Recommended Practices*, the wording was changed to:

Recommended Practices

- An employee assigned to perform a physical inventory should not be the person responsible for maintaining custody of the items.
- Equipment Inventory Modification Request (EIMR) forms should be approved by someone not directly responsible for custody or disposal of equipment, preferably department management.

Part III: Equipment Management, #2, *Recommended Practices*, the wording was changed to:

Recommended Practices

- Purchase requisitions should be approved by a person delegated approval authority.
- A person delegated approval authority should approve either the invoice for the purchase *or* the purchase requisition, but not both.
- Items should be inspected for condition prior to approving invoice payment.
- Adjustments to inventorial records for returned, missing, damaged and changed items should be approved by departmental management, and processed via a change order request which advises Purchasing, Equipment Management, and Accounting Services & Controls.

Part III: Equipment Management, #3A, *Recommended Practices*, the wording was changed to:

Recommended Practices

- Off-campus use of University equipment should be allowed for University business purposes only and should be approved by the department head.
- An EIMR should be approved by the department and submitted to Equipment Management to record the relocation of the equipment to an off-campus location.
- Concerns about insurance requirements should be directed to Business Services.

Part III: Payroll. Significant changes were made to this section.