Basic Unit Financial Guidelines

It is the responsibility of every staff member who is involved in any financial activity on behalf of the University to be fiscally responsible and to exercise appropriate financial controls (if your unit has a unique department ID number, this applies to you!).

Sound, ethical business practices must always be used in all Student Affairs operating units. This document provides units with basic guidelines for handling financial activity and should not be considered an all inclusive list. Individual units may have more restrictive internal policies provided they are in compliance with divisional and University policies and procedures and are communicated in writing to the DSA Finance & HR Office.

Signature Authority:

Unless otherwise identified, the signature authority for each unit is the Director or senior leadership where appropriate. Units may, at their discretion, require additional approvals internally. If a unit desires to delegate signature authority elsewhere in the unit, that delegation of authority must be communicated in writing to senior leadership and the DSA Finance & HR Office. Only documents with original signatures will be accepted by the DSA Finance & HR Office for processing. Approvals that are initials or signature stamps will be returned to the unit for proper authorization.

Financial Reports:

Each unit receives a monthly summary financial report along with the M-Pathways Statements Of Activity and Voucher Detail Expense Reports (see exhibits #1, #2 & #3). Upon receipt of this information, each unit must minimally perform the following steps:

- A review/reconciliation of financial activity should occur. This should include a detailed analysis of monthly expenditures in accordance with the unit's budget lines. Analysis should include comparisons to current fiscal year budget, prior year actuals and explanations of significant over/under budget conditions.
- Unit Directors should review operating results (including financial transaction detail) monthly and have knowledge of their unit's operating performance. Certification of financial review is required by signing the certification statement on the face of the monthly financial report (see exhibit #1) and returning a copy of the certification to the DSA Finance & HR Office by the designated due date. Unit Directors should instruct and approve appropriate employees on any corrective actions to be taken.

See the following sources for additional information:
SPG 500.1 Fiscal Responsibilities
www.finops.umich.edu

Purchasing:

P-Cards:

There should always be a clear business purpose for an employee having a P-Card. Unit Directors should know how many P-cards are held in the unit and who the P-card holders are. Director's should make sure that the following principle's are being adhered to :

- The P-card holder and P-card reconciler should not be the same person. There should be a good reason for any exceptions.
- P-cards should be used only by the card holder and should never be shared or given to another employee for use
- P-card statements as well as all attachments (receipts, hosting forms, ATM forms, etc) must be reviewed and approved by the unit Director prior to being forwarded to the DSA Finance & HR Office for audit. When the card holder is the director, the statement must be signed by the next higher signature authority.
- Directors should account for all P-cards held in the unit each month. They should either sign a P-card statement or confirm that a P-card has had no activity that month.

Non P.O. Vouchers:
Non P.O.. vouchers must always include a Voucher Cover Page (see exhibit #4) and an itemized invoice. All documents must be approved by the unit director.

Requisitions:
All purchase requisitions must be signed by the unit director and comply with all University Purchasing guidelines. See purchasing SPG and Purchasing web site listed below for specific guidelines.

See the following sources for additional information:
SPG 501.4-1 Travel and Business Hosting Expense
SPG 507.1 General Purchasing Policies and Procedures
www.umich.edu/~purch

Handling of Funds:
Cash -- Units should avoid handling cash if at all possible. When cash must be handled, it must be stored in a secure location and deposited on the date of collection. Where this is impractical and where the total deposit is less than $100, the deposit may be made within one business day of collection at a designated University Cashier location or the University Unions Cashier's Office. The deposit should be submitted with two cash receipt tickets (CRT's - see exhibit #5) and the individual making the deposit must receive a receipt verifying the deposit of funds into an approved University account. Receipts must be kept in a designated, secure location in the unit.
Checks -- Checks received by a unit must be made payable to the "University Of Michigan". All checks must be stored in a secure location and deposited on the date of collection. Where this is impractical and where the total deposit is less than $100, the deposit may be made within one business day of receipt at a designated University Cashier location of the University Unions Cashier's Office. The deposit should be submitted with two cash receipt tickets (CRT's) and the individual making the deposit must receive a receipt verifying the deposit of funds into an approved University account. Receipts of deposit along with a copy of the check must be kept in a designated, secure location in the unit.

See the following source for additional information:
SPG 502.1 Cash Management Policies

Payroll Time Sheets:

All payroll time sheets should be submitted according to payroll deadlines. Timesheets must accurately reflect activity for the current pay period and should include the employee's actual signature. Timesheets must include the actual signature of the employee's immediate superior (supervisor/manager/director, etc). Units may, at their discretion, choose to enforce additional levels of review and approval. Any internal approval process should be communicated to senior leadership, the DSA Finance & HR Office and be in compliance with divisional and University policies and procedures.

See the following source for additional information:
www.payroll.umich.edu

Journal Entries:

Journal entry forms that move budgeted dollars or actual revenues/expenses must be signed by the unit director before being forwarded to the DSA Finance & HR Office.

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