



**University of King's College**  
**SPENDING AUTHORITY FOR RESEARCH FUNDS POLICY**  
(Adopted by Faculty October 3, 2016 and Board of Governors October 13, 2016)

**Purpose:**

To outline the responsibilities for University personnel who have authority to commit or spend funds from Research Accounts. Principal investigators and the University of King's College are responsible to administer funds and as such have certain obligations including ensuring that:

- Policies procedures and regulations of granting agencies and sponsors are followed;
- Funds are well managed and used effectively and economically;
- Expectations for financial accountability and integrity are clearly communicated; and
- The University is in full compliance with terms of research grants and contracts.

This authority also allows the principal investigator (Unit Authority) to delegate spending authority to others as appropriate within the university. This policy is to be applied in conjunction with other University policies. Importantly, the University's purchasing policy addresses the requirements for acquiring goods and services for operating and research use.

**Definitions:**

*Account* – a five-digit code (sometimes referred to as an organization code) used to identify a research project grant, contract or general research account (e.g. 5XXXX– SSHRC XXX-Year-XXXX Grant John Smith).

*Claimant* – the individual requesting reimbursement of expenditures paid out of pocket.

*Delegate* – the individual as described in section 3 of the policy, authorized to approve commitments and expenditures on behalf of the Unit Authority.

*Unit Authority* – the Unit Authority for Research funds is the principal investigator. This is the individual authorized to approve commitments and expenditures within the approved budget of an account in accordance with University policies and procedures and terms and conditions as specified by granting agencies, contractors, donors or others.

**Policy:**

1. The spending authority policy applies to all financial transactions including but not limited to:
  - a) Cheque requisitions
  - b) Invoices/ Credit memos
  - c) Journal entries
  - d) Payroll

*\*As adapted from Dalhousie University's Release of Funds Agreement*

- e) Petty cash
  - f) Purchases of goods or services from University departments
  - g) Student aid requisitions
2. The Unit Authority is responsible for committing and spending research funds in accordance with University policy and the terms and conditions specified by granting agencies, contractors, donors or other providers of research funding.
  3. The Unit Authority is the only individual automatically authorized to approve amounts **exceeding \$5,000**. Should circumstances arise where the Unit Authority is not available, the Vice President can authorize such transactions provided s/he has also been delegated spending authority on the account.
  4. The Unit Authority shall:
    - Ensure that funds are used for the purpose for which they were received with reference to any terms or conditions specified by sponsors, contractors, donors or others and in accordance with University policies and procedures.
    - Verify receipt of goods or services.
    - Verify that goods or services have not been previously invoiced and/or paid.
    - Ensure the request for payment is accurate.
    - Assign the appropriate Account and provide authorization. A Signature stamp is not acceptable.
    - Ensure there is appropriate supporting documentation to comply with public/private spending guidelines.
    - Ensure the expenditures are within the grant/contract period.
    - Where the spending authority is also the claimant for reimbursement (e.g. travel), such reimbursement must be approved by an individual at a reporting or management level above the claimant.
    - Ensure that current expenditures will not result in other significant costs and obligations to the University (e.g. maintenance, utilities, etc.)

*See University Purchasing Policy for more info.*

Delegates are to direct any questions regarding spending Authority to the Unit Authority.

5. The Delegation of spending authority does not relieve the Unit Authority from accountability for compliance with policy.
6. Specimen signatures of Unit Authorities and Delegates are held for audit purposes by the Bursar's Office.
7. The University reserves the right to withdraw spending authority delegation privileges or freeze access to Accounts for non-compliance with this policy.
8. Charges for certain internal services (postage, telephone, computing, etc.) are made directly to Accounts. The Unit Authority is responsible to review all charges to his/her Account and report any unauthorized charges immediately to the internal department providing the good/service.

### **Procedures:**

1. Establishing Spending Authority

- The Unit Authority must complete a Spending Authority form (Appendix A).
- Only the Unit Authority can authorize, modify or revoke spending authority delegation for Accounts under his/her responsibility.

2. Delegation of Spending Authority

- A Unit Authority may elect to delegate his/her spending authority for financial transactions to another individual on an account-by-account basis. In order to delegate spending authority for an Account, the Unit Authority must assign delegation of spending authority. If not already on file, the delegate will be required to complete a Spending Authority form (appendix A) and return to the Bursar's Office.
- Delegation of spending authority is complete only when a specimen signature is received by the Bursar's Office.
- Spending authority shall only be delegated to individuals payrolled through the University.
- If the Unit Authority changes (e.g. Account with chair as spending authority), the new Unit Authority is responsible to review delegation and make necessary changes.

**An Important Note about Delegation of Spending Authority:** The Unit Authority (principal investigator) should give careful consideration when choosing an individual to whom spending authority is delegated. The delegate must possess an understanding of University policy as well as guidelines pertaining to the research project in question. Suitable delegates might include a co-investigator, or research administrator. Delegates will have access to monthly reports and account inquires through the financial system.

3. Revoking Delegation of Spending Authority

- The Unit Authority may revoke the delegation of spending authority, by accessing Web for Administrator

