



Signature Authorizations for Internal Financial Transactions

Effective Date: 02/20/2023

Scope and Purpose

This document provides information regarding the authorization of internal institutional financial transactions at the University of Rhode Island, including both the internal commitment and disbursement of funds.

This document focuses solely on internal transactions at the University of Rhode Island. The authorization of transactions that bind the University to a third party are governed by the University's policy on "[Approval and Execution of Contracts and Other Binding Documents](#)."

This document, which outlines the protocol for authorizing internal transactions at the University, presents internal controls for the internal commitment and/or disbursement of funds within the University by:

- Ensuring only the execution of legitimate and appropriate transactions;
- Ensuring adherence to both University policy and relevant financial, legal, and contractual requirements; and
- Assisting in the detection of errors prior to the implementation of a transaction.

To mitigate financial risk and comply with federal and state internal control guidelines, the University shall maintain an internal financial transaction authorization list within its enterprise resource planning system (PeopleSoft) that shall include the names of Responsible Persons, their delegates, and other Authorized Signatories. Compliance with authorization procedures, including the recognition of these named authorizations, must be observed at all levels of University management.

Definitions

Authorized Signatory. For the purposes of this document only, an Authorized Signatory is a named individual with the authority to permit the disbursement or commitment of funds on an identified Chartfield String. Authorized Signatories may only be identified by the Responsible Person or their delegate via the Signature Authorization Form or the Signature Authorization Update (in PeopleSoft Financials).

Chartfield String. The numerical sequence in the University's general ledger that denotes a specific allocation of funds. A Chartfield String consists of three or more digits that denotes the fund location in the University's general ledger (generally, *Fund-Department-Program-Project*).

Employee. Any person employed by the University, including faculty and staff, regardless of the source of funds within the University.

Responsible Person. The named individual assigned control of an individual Chartfield String by their supervisor on the Signature Authorization Form.

Chartfield String Authority

The Chartfield String, the numerical sequence that denotes a specific location in the University's General Ledger (*Fund-Department-Program-Project*), is the core building block for the University's financial architecture. The Chartfield String is used in every financial transaction within the University. The University's organizational structure normally results in the following positions holding fiscal management responsibilities for specific funds under their control, as allocated in various Chartfield Strings.

- University President
- Vice Presidents (including Provost)
- Director of Athletics
- General Counsel
- Dean
- Assistant/Associate Dean
- Assistance/Associate Vice Presidents / Provosts
- Directors
- Principal Investigators

Each Chartfield String will have a Responsible Person, who is assigned control of an individual Chartfield String by their supervisor (generally the positions noted above). Each Responsible Person shall assign a delegate.

Responsible Persons are generally individuals with organizational control over identified units of the University. Though Responsible Persons are often in positions noted above, no specific title is required for an individual to be identified as a Responsible Person.

The Responsible Person shall be identified upon the creation of a Chartfield String or through the Signature Authorization Update process in PeopleSoft Financials when a Responsible Person moves to a new position or leaves the University and a new named Responsible Person must be assigned to that Chartfield String. The selection of the Responsible Person shall be approved by that person's supervisor (this approval happens within PeopleSoft Financials workflow).

The responsibilities of the Responsible Person include, but are not limited to, ensuring that:

1. Expenditure documents are approved for payment against the Chartfield String only after the service has been rendered or the goods delivered (except when a contractual prepayment provision exists);
2. Expenditures are within budget and are incurred in accordance with existing federal or state guidelines.

For Chartfield Strings Associated with Sponsored Awards (Fund 500), the Responsible Person shall be the Principal Investigator for the project identified within that Chartfield String.

The Responsible Person assigns a delegate, generally a person with fiscal responsibility within that unit (e.g., an Assistant Director, Assistant/Associate Dean, Business Manager, etc.) who may carry the same powers of authorization as the Responsible Person, but who shall have the ability to add or remove Authorized Signatories from the Chartfield String.

In addition, the Responsible Person may assign signature authority to additional individuals within their unit (Authorized Signatories), limiting their authority per the Document Codes found on the Signature Authorization Form or in the Signature Authorization Update in PeopleSoft Financials. Authorized Signatories may only be identified via the Signature Authorization Form or the Signature Authorization Update in PeopleSoft Financials.

The Authorized Signatory must have proper qualifications to assume administrative and financial responsibilities for the Chartfield String. Through the appointment of an Authorized Signatory, the Responsible Person vests authority in that named individual to ensure the legality and allowability of the expenditures they approve against the assigned Chartfield String.

Only University Employees, excluding student employees, may act as Responsible Persons, delegates, or Authorized Signatories.

A Chartfield String should have more than one Authorized Signatory (including the Responsible Person and delegate) to maintain operational continuity in the absence of the Responsible Person.

Conflict of Interest: The Responsible Person cannot approve expenditures that relate directly to themselves(s) or on their own behalf. Additionally, the Responsible Person cannot be the sole Authorized Signatory for payments to, or on behalf of, persons to whom they have a direct reporting relationship.

Signature Authorization Form

A [Signature Authorization Form](#) is required for each unique Chartfield String. Note that this form allows for the designation of specific document types to specified Authorized Signatories.

A [Chartfield Request Form](#) is required to request the creation of any new Chartfield String. All new Chartfield String requests require a Signature Authorization form.

For additional information on Signature Authorization and the Creation of Chartfield Strings, see <https://web.uri.edu/budget/forms/>

Cancellation of Signature Authorization

The Responsible Person for the Chartfield must notify the University's Office of Budget and Financial Planning in writing of the cancellation, with an effective date, of the appointment of an Authorized Signatory. If the cancellation is due to a change in personnel, the Responsible Person may want to appoint a new Authorized Signatory through the