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ASSOCIATED STUDENTS, INC.

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## Financial Policies

# Policy 225 - Signature Authorization

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### 1. PURPOSE

This policy establishes the signature authority for Associated Students of Cal State LA, Inc. and the required signatures on all legal, financial, and corporate agreements. The policies listed herein are in compliance with the regulations of California State University, Los Angeles, the California State University system, and all applicable State and Federal laws.

It is the policy of ASI that only authorized individuals can make financial, contractual, or personnel commitments on behalf of the corporation. This authorization shall be documented on a Delegation of Authority form, maintained by the Executive Director. The form must be revised whenever changes in personnel or responsibilities occur.

### 2. REFERENCES

- [CSU Policy for Campus Auxiliary Organizations](#) (EO 1059)
- [Applicable Cal State LA Financial Policies](#)
- [ASI Operating Agreement with the CSU Board of Trustees](#)
- [ASI Financial Policies](#)
- CSU Administrative Manual
- Education Code, Sections 89720, 89750, 89752, 89756 and 89900(b);
- Title 5, California Code of Regulation, Sections 42401 and 42404; and
- [CSU Executive Order 1000](#), Delegation of Fiscal Authority and Responsibility
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### 3. DEFINITIONS

### 4. DELEGATION OF AUTHORITY

- 4.1. The campus president is responsible and accountable for prudent judgement in the utilization of campus auxiliary organizations, for ensuring the fiscal viability of campus auxiliary organizations, and for compliance with applicable CSU policies (EO 1059).
- 4.2. The campus chief financial officer (CFO) is the primary campus official responsible in respect to administrative compliance and fiscal oversight of campus auxiliary organizations, as described in in [Cal. Educ. Code § 89756](#) and [Cal. Educ. Code § 89900](#) (EO 1059).
- 4.3. ASI Delegation of Authority:
  - 4.3.1. The ASI Board of Directors delegates to the Executive Director primary financial and fiduciary responsibility for the corporation, including approval authority for financial, contractual, and personnel transactions.
  - 4.3.2. The ASI Executive Director shall serve as the legal agent of the corporation and signatory for ASI.
  - 4.3.3. Signature and approval authority may be further delegated and revoked by the Executive Director to qualified management personnel and staff using the Delegation of Authority Form. This delegation of authority shall be exercised within a sound internal control environment established by the Executive Director and their designees in consultation with the University Vice President of Administration and Finance or their designee, and

ASI's certified public accountants or attorney.

4.3.4. In the absence of the Executive Director, the Associate Executive Director (AED) shall serve as the signatory, or in situations when the AED is unable the Director of Graphics and Marketing shall serve as the signatory for the corporation.

4.3.5. The ASI President, as the Chair of the ASI Board of Directors, shall sign on behalf of the Board of Directors when the Board has voted and approved actions.

## 5. **APPROVAL AUTHORITY**

### 5.1. **ASI Annual Budget**

ASI's annual budget is prepared by the ASI staff and executive officers and presented to the Finance Committee for review and the Board of Directors for approval. The annual budget is then submitted to the University CFO reviews and recommends the budget to the University President who shall sign for final approval.

5.1.1. Budget Signature Page -- The final budget shall be prepared by the ASI Vice President for Finance and the Associate Executive Director and, once approved by the Board of Directors, signed ASI President and the Executive Director on behalf of ASI, and by the Director of Budget Administration, the VP for Administration and Finance, and the University President.

5.1.2. The quarterly revisions to the annual budget (3/9, 6/6, 9/3) require approval by the ASI Board of Directors with final approval by the University President and shall follow the same approvals as the annual budget.

5.1.3. Adjustments to individual line items in the budget may occur in addition to the quarterly reviews to account for operational needs in the organization. These adjustments shall be presented to the Finance Committee for review and a recommendation forwarded to the Board of Directors which may be approved by a majority vote. Budget adjustments shall be provided to the University President and university CFO.

### 5.2. **Operating Budget Expenditures**

5.2.1. The ASI Executive Director is responsible for authorizing all business expenses and reimbursements on behalf of the corporation.

5.2.2. ASI staff with delegated approval authority shall sign for the approved budgets and funds allocated to their service or programmatic areas and shall be held responsible for the accurate accounting and management of funds.

5.2.3. Individuals authorized to expend funds from a department operating budget must comply with all the applicable policies, regulatory requirements, laws, regulations, and special restrictions on the use of those funds.

5.2.4. Expenditures from the Student Government section of the annual budget shall be co-signed by the Vice President for Finance as witness.

5.2.5. Expenditures from the Student Programs and Services section of the annual budget shall be co-signed by the Vice President for Finance as witness.

5.2.6. Purchases over \$15,000 require a second signature, in addition to the Executive Director, which shall be signed by a university designee.

### 5.3. **ASI Banking Approval Authority**

5.3.1. Access to ASI's bank accounts shall be limited to ASI management personnel, with authorization from the Executive Director. Limited access may be granted by the Executive Director in writing to University staff who have a demonstrated need to assist in the reporting, processing, and payment of ASI's financial obligations.

5.3.2. Fund transfers between ASI's bank accounts require dual-authorization within the banking system, which shall be limited to ASI management personnel. Additional University staff may also be granted authority to initiate transactions from ASI accounts,

with the Executive Director's written approval. The approval of transfers shall reside with ASI management personnel.

5.3.3. Local Agency Investment Fund (LAIF) - Moving money into and out of the investment fund shall require the written approval of the Executive Director.

#### **5.4. Personnel**

5.4.1. Signature authority for the approval of employment, payroll, benefits, and personnel documents is delegated to the ASI Executive Director for full-time and part-time employees.

5.4.2. The ASI management staff shall have authority, as supervisors, to sign timesheets and ETR's for part-time employees.

5.4.3. Employee travel to seminars, conferences, events, public meetings, and on ASI business requiring an overnight stay requires advance approval from the employee's supervisor and the Executive Director. This approval can be obtained by the prospective traveler by completing the Travel Request Form. Additional requirements and guidelines may be found in the ASI travel policies and employee handbooks.

5.4.4. ASI Executive Director

The University President or designee shall serve as the approval authority for any reimbursements, travel, and timesheets for the ASI Executive Director. This includes any use of the ASI issued Purchasing Card.

#### **5.5. Contracts and Agreements**

5.5.1. The ASI Executive Director shall, as the agent of the corporation, serve as the approval authority for all contracts and agreements and may delegate to qualified ASI personnel the drafting, negotiation, and approval of agreements and contracts.

5.5.2. The ASI President shall sign as witness on corporate contracts, memoranda of understanding, and service agreements to confirm the involvement of ASI's executive officers in the oversight of the organization.

5.5.3. Corporate agreements shall be shared as an information item with the BOD by the Executive Director.

5.5.4. Certain corporate agreements, such as ASI's Operating Agreement with the CSU Board of Trustees, require BOD approval and therefore shall be co-signed by the ASI President, as the Chair of the Board, and the Executive Director.

#### **5.6. ASI Board of Directors Actions**

The ASI President shall sign, as Chair, all legislation, bills, and actions taken by the Board of Directors for the purpose of certification.

#### **5.7. Student Clubs and Organizations Allocations**

5.7.1. Approved club funding requests and award letters shall be reviewed by the Vice Chair for Finance and signed by the ASI Vice President for Finance as Chair of the Finance Committee.

5.7.2. The ASI Vice President for Finance shall co-sign as witness to the expenditures and transfers of ASI funds for student clubs and organization programs.

5.7.3. Student clubs and organizations travel - See [student travel policy](#) for CSU. Student travel requires University approval and ASI will not fund travel requests unless the proper paperwork is submitted with the funding proposal.

#### **5.8. Student Leader Appointments**

5.8.1. Biweekly Reports - ASI Executive Officers serve in a pseudo-supervisory role for other student leaders assigned to them in the Bylaws and shall review and approve biweekly reports. The Executive Director shall sign the biweekly reports for the ASI President.

- 5.8.2. Coordination of Aid forms, that identify the Grant-in-aid payments to elected and appointed student leaders require the signature of the Executive Director/Designee as the authorizing department official.
- 5.8.3. Grant-in-Aid payments shall be prepared by the ASI staff and signed by the Executive Director.
- 5.8.4. Student Leader Travel- See [student travel policy](#) for CSU. Authorization for ASI student leader travel share require signatures from the ASI President, AVP/Dean of Students, and the ASI Executive Director.

**6. SEGREGATION OF DUTIES**

To ensure that proper controls are in place, responsibility for all transactions must be divided among at least two individuals: the preparer of the transaction and an approver. The Delegation of Authority shall articulate the responsibilities of the ASI full-time staff and who shall be responsible for the two-step approval process.

All persons to whom signature authority has been delegated may not approve any financial, contractual, or personnel transaction to which they are a party. In such cases, the individual must obtain approval from the Executive Director. For transactions initiated by the Executive Director, the paperwork shall be prepared by the ED or an authorized staff member and approved by the University President or designee.

**7. ACCEPTABLE SIGNATURE FORMATS**

- 7.1. ASI shall accept digital signatures on documents when using a protected and verifiable software system.
- 7.2. On automated payroll checks a facsimile signature may be used.

**8. PROHIBITED USE OF FUNDS**

- 8.1. Improper Transactions -- Persons to whom signature authority has been granted must not knowingly prepare or approve a business transaction that is incorrect, inappropriate, fraudulent, or in violation of ASI policies on fraud, conflict of interest, or employee conduct. Any person with knowledge of an improper transaction must immediately report it to the Executive Director. There shall be no retaliation for reporting in good faith a suspected improper transaction. Refer to the [CSU Whistleblower policy](#).

**Policy History:**

- Approved: 10/5/17
- Amended: 05/26/16
- Amended: 04/04/13
- Amended: 02/14/19
- Amended: TBD