

Delegation of Authority – Audit Direct Payment Process Training for Accounts Payable Staff

February 16, 2017

Presented by:

**Myrna Sta Ana,
Accounts Payable
Supervisor**



Background

- Delegation of Authority Audit was conducted by the Chancellor's Office in Aug 2016
- CI was not in compliance with ICSUAM 5227, Direct Payments, specifically the campus had not established dollar thresholds

5227.00 | Direct Payments

Effective Date: 3/3/2003 | **Revised Date:** 3/3/2003

POLICY OBJECTIVE

This policy articulates the CSU's requirements related to direct payments to ensure procurement and contracting activities are in compliance with applicable regulations.

POLICY STATEMENT

Direct payments may be made for those types of commitments/obligations for which little or no value can be added by processing the transaction through the standard procurement procedures. Campuses are responsible for establishing local policies which identify types and dollar thresholds for transactions authorized for direct payments and associated procedures for exception processing. Examples of direct payments may include but are not limited to public utilities, room rentals, rebates & reimbursements, books, subscriptions, publications, registration fees, and membership dues.

Background

- CI received audit observations which necessitated the updating of our direct payment procedures and check request form.

Background

➤ Requirement per DOA Audit under item #5 Direct Payments

Recommendation #	Recommendation	Responsible Party	Management Response
5 (Direct Payments)	<p>a) Review and update direct-payment procedures to establish dollar thresholds for all direct-payment categories and determine whether the use of check request forms should be required, and communicate the updated procedures to individuals who approve direct-payment expenditures.</p> <p>b) Review and update the process of tracking and maintaining current direct-payment delegations of authority for campus approvers.</p> <p>c) Provide refresher training to accounts payable staff who process direct payments, emphasizing the areas noted above.</p>	A/P	<p>a) We concur. We will review and update direct-payment procedures to establish dollar thresholds for all direct-payment categories. We will also determine whether the use of check request forms should be required. Updated procedures will be communicated to individuals who approve direct-payment expenditures. Evidence of this review, subsequent procedural changes, and the dissemination of those changes will be completed by Feb. 28, 2017.</p> <p>b) We concur. We will review and update the process of tracking and maintain current direct-payment delegations of authority for campus approvers. Evidence of this review and related updates will be completed by Feb. 28, 2017.</p> <p>c) We concur. Accounts payment staff who process direct payments will receive refresher training emphasizing the areas noted in the recommendation. This training, and evidence thereof, will be provided by Feb. 28, 2017.</p>


Corrective Actions Taken

- Direct Payment Procedures
 - CSU Channel Islands has established to process the following types direct payment when the payment does not exceed \$1,000.00.
 - CSU Channel Islands has established that Check Request Form may be used if the requestor did not provide a detailed invoice. Supporting documentation is needed to be attached with the form.

Corrective Actions Taken

- Direct Payment Procedures
 - CSU Channel Islands has established that if a detailed invoice is provided by the vendor “Approval Stamp” is required to process the direct payment.
 - Direct Payment Delegations of Authority for campus approver has been updated.
 - Accounts Payable Staff Refresher Training was provided.

Check Request Form_Updated



Channel Islands
CALIFORNIA STATE UNIVERSITY

Check Request Form

CAMPUS
 FOUNDATION
 ASI
 SITE AUTHORITY
 UGC

People Soft Supplier ID: _____

NOTE: ALL New Vendors must complete CI vendor Data 204 Form. Please submit to Procurement by e-mail: purchasing@csuci.edu.

Payable to: _____

Payment Instructions:
 Mail to Payee
 Mail to Payee with attachments¹
 Wire Transfer Requested²
 Direct Deposit /ACH³
 Pick up at SBS⁴

Remit Address 1: _____
 Address 2/Attn.: _____
 City: _____ State: _____
 Zip Code: _____ Country: _____

Allowable Types of Payment - Not to Exceed \$1000.00 : Description and/or Explanation of Request*:

Advertising	Restricted Types:	Description and/or Explanation of Request*:
<input type="checkbox"/> Advertising	<input type="checkbox"/> Financial Services	<i>Do not leave blank</i>
<input type="checkbox"/> Art Model	<input type="checkbox"/> HR/Payroll	
<input type="checkbox"/> Honorarium/ Speaker Fee	<input type="checkbox"/> HR/Main	
<input type="checkbox"/> Independent Contractor Fees		
<input type="checkbox"/> UNIV Group Travel		
<input type="checkbox"/> Membership Fees / Dues		
<input type="checkbox"/> Note taking/ Interpreters		
<input type="checkbox"/> Permit/ License		
<input type="checkbox"/> Prepaid Postage/ Freight		
<input type="checkbox"/> Registration/Conference Fee		
<input type="checkbox"/> Stipend (LSAMP, etc.)		
<input type="checkbox"/> Subscriptions/ Periodicals		
<input type="checkbox"/> Other: Refund		
<input type="checkbox"/> Other Payments		

**If the vendor provided a detailed invoice, please use the approval stamp directly on the invoice instead of using this form.*

Source of Funding:

Account	Fund	Department	Program	Class	Project	Amount
						\$
						\$
						\$
						\$
						\$
						\$
						\$
						\$
						\$
						\$
Description: Data Warehouse (50 character max)						Total: \$
Description: Check Memo (70 char. max)						

APPROVAL: I am authorized to approve this expense, it serves a CI business purpose and I certify that adequate funds are available.

Print Name of Requester & Extension	Print Name of Approver & Extension	Approver's Signature & Date
Requester's Signature & Date	Print Name of Approver & Extension	Approver's Signature & Date
Requester's Signature & Date	Print Name of Approver & Extension	Approver's Signature & Date

CI Check Request v17.01



Questions?

➤ Myrna Sta Ana

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Sign-In Sheet

Direct Payment Process Training for Accounts Payable Staff

February 16, 2017

Stacie Dee		Accounts Payable Technician	
Name	Signature	Title	Date
Chenoa Hutchison		Accounting Technician III	
Name	Signature	Title	Date
Sonja Howe - Optional		University Internal Auditor	
Name	Signature	Title	Date
Diane Mandrafina - Optional		Controller	
Name	Signature	Title	Date
Myrna StaAna - Presenter		AP Supervisor (Lead)	

