Approval of Routine Business Transactions | SOP #: FIN.001.00
--- | ---
Effective Date | 4/3/15
Last Revision/Review | Reviewed 12/21/18, Reviewed 8/28/19

1. **Purpose**
To ensure accounting procedures follow sound business practices and internal controls, support the recording and reporting requirements of Generally Accepted Accounting Principles (GAAP), and provide assurance to all stakeholders that delegated authority and responsibility for financial transactions is effectively applied and monitored.

2. **Related Policy/Authority**
Policy 1015

3. **Faculty/Staff Responsibilities**
Vice President of Administration/CFO is responsible to ensure that an overall structure of sound internal controls is implemented, GAAP is followed in all accounting, and that all external regulations and requirements for routine business transactions are addressed in the control and reporting structure. The VP of Administration/CFO is responsible to periodically review the structure and implementation of internal controls, and to regularly review all financial reports presented to the Ownership, the Board, the Debt Trustee, and any governmental agency or accrediting body.

The Controller is responsible for the implementation and oversight of these procedures.

4. **Definitions/Abbreviations**
None

5. **Procedural Steps**
1. New accounts are created by the Controller.
2. Cash receipts are processed by the Assistant Controller. Student Accounts and application of financial aid are processed by the Enrollment Services Department in a separate student administration system; the Assistant Controller balances to the system and Enrollment Services can validate the application of financial aid and creation of student disbursements.
3. Cash Disbursements are initiated by Administrative Assistants on behalf of Departmental requestors, and approved by the requestor; the disbursement after approval is processed by the Accounting Technician; those disbursements requiring a three-way match have receiving verified and entered by the Accountant. Depending upon the dollar value, multiple levels of requestor approvals are required, as addressed in policy 1015.
4. Assistant Controller prepares Bank Reconciliations for the Operating account, Financial Aid account and other bank accounts and are reviewed by the Controller.
5. Controller prepares Bank Reconciliations for the Investment accounts and reviewed by Vice President of Administration/CFO.
6. Journal entries are initiated by the Accountant or the Controller, and approved by the Controller or the Vice President of Administration/CFO.
7. The CFO reviews and approves all external financial reports.
8. The CFO signs all checks and all ACH disbursement authorizations.
9. The CFO has no system access to the administrative financial system. The Other positions have limited access based upon their functions. Requestors can only access the system via Workflow approval.

6. Reports/Charts/Forms/Attachments/Cross References

| N/A |

7. Maintenance

Office of the Controller; updated whenever an external reporting requirement is added or changed.

8. Signature

<table>
<thead>
<tr>
<th>Signature on File</th>
<th>8/28/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jennifer Taylor, VP Administration/CFO</td>
<td>Date</td>
</tr>
</tbody>
</table>

9. Distribution List

Internal/External

10. Revision History

<table>
<thead>
<tr>
<th>Revision Date</th>
<th>Subsection #</th>
<th>Summary of Changes</th>
<th>New/Cancellation/Replacement Procedure? (if applicable)</th>
<th>Approval Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>