

FINANCIAL SIGNING AUTHORITY POLICY

FINANCIAL SIGNING AUTHORITY			
Effective Date	January 21, 2026	Policy Type	Administrative
Responsibility	Vice President, Finance and Administration (policy owner) Director of Financial Services (policy manager)	Related Policies	Employee Code of Conduct Contract Management Policy Procurement Policy Travel and Related Expenses Policy Hospitality and Community Stewardship Policy Use of Credit and Procurement Card Policy Safe Disclosure Policy Conflict of Interest Policy Records Management Policy
Approval Authority	Executive Council	Review Schedule	Every 5 Years

1. Policy Statement

- 1.1. Northwestern Polytechnic (NWP) is committed to exacting standards of ethics, conduct and fiduciary responsibility. NWP will establish financial signing authority levels which reflect the authority assigned to Budget Owners to make expenditures within the amount and scope of their budget. The signing authorities provide a consistent framework that establishes and identifies the level of approval required based upon the assessed risk of the financial transaction.

2. Scope

- 2.1. This policy applies to all NWP employees and the Board of Governors Chairperson when approving invoices, requisitions, and transfers (both revenue and expense) for NWP and is applied in conjunction with other financial policies and procedures of the Polytechnic.

3. Reason for Policy

- 3.1. As a publicly funded institution, NWP activities must be conducted in a manner that provides sound financial accountability and control of public funds entrusted to the Polytechnic in accordance with internal policies, and federal and provincial laws and regulations.

4. Definitions

4.1 Approver: An individual authorized to approve a purchase/ expense reimbursement for the total spend amount (normally one level up unless otherwise delegated).

4.2 Account Category: Sequence of numerical codes which classify a financial transaction into organizational categories. NWP uses Account Categories: General Ledger Account, Cost Centre, Function Code, Position Code, and Resource Code. Please contact your assigned Senior Business Advisor for support in correctly coding transactions.

4.3 Approved Budget: The annual operating and capital budget as approved by NWP's Board of Governors. Budget Owners have signing authority limited by the current year Approved Budget for those Cost Centres assigned to their position.

4.4 Budget Owner: An employee who has been assigned a Cost Centre budget in the financial system and therefore has signing authority to make expenditures within the scope of their budget. Budget Owners must hold a position of Manager, Associate Dean, Dean, Director, Executive Director, or Vice President.

4.5 Claimant: An employee initiating a travel or expense reimbursement.

4.6 Contractual Obligation: A payment or other action that parties agree to or become responsible for when they sign a contract. Contractual Obligations can arise from many sources including purchasing an item with ongoing maintenance or licensing requirements.

4.7 Cost Centre: An NWP Account Category which represents an organizational segment of the Polytechnic.

4.8 Documentation: A recognized document which supports the existence of a financial transaction. Examples of accounting Documentation include cheques, invoices, receipts, credit memos, purchase orders, packing slips and signed contracts.

4.9 Financial Services: A department within NWP responsible for the management of the Polytechnic's financial records and maintenance of the financial internal controls.

4.10 IRAP: A financial model used to ensure appropriate internal controls are in place over organizational expenditures. IRAP stands for Initiate, Review, Approve and Process.

4.11 Multi-Unit Expense: A transaction which obligates or charges expenses to more than one Cost Centre within NWP.

4.12 Multi-Year Expense: A transaction which creates a Contractual Obligation across fiscal and budget approval years.

4.13 One-Over-One Approver: The direct supervisor of the Claimant as identified in the organizational chart. The One-Over-One Approver for the President is the Board Chair.

4.14 Polytechnic: Northwestern Polytechnic, a post-secondary institution operating in the Province of Alberta.

4.15 Secure Digital Certificate: A secure electronic signature where:

- The electronic signature is unique to the person signing,
- The signature must be created and under the sole control of the person signing,
- Created with specific technology or processes which have the capability to identify the person, and
- The signature is linked with an electronic document in a way which allows the examiner to determine whether the e-document has been changed since the signature was attached to the document.

5 Guiding Principles

5.1 NWP follows the IRAP (Initiate, Review, Approve, Process) model for transaction processing.

- **Initiate:** involves the creation of a transaction request such as a travel or expense claim, a requisition, or a payment request. Any current NWP employee can initiate a transaction request.
- **Review:** For most NWP financial transactions, the Review and Approve stages are combined. A separate reviewer and approver are only required under Sections 7 through 9 of this policy or if the transaction exceeds \$75,000. The Reviewer is responsible to ensure the transaction is:
 - appropriate, fair and in accordance with NWP policies, procedures and, if applicable, meets external grant stipulations,
 - reasonable and necessary for NWP business, program or administrative goals,
 - within the Approved Budget for the Cost Centre,
 - the appropriate account code is identified, and
 - is supported by appropriate Documentation.
- **Approval:** The transaction must be approved before it can be processed. Approval is performed by the Budget Owner unless additional approvals are required as described in sections 7 through 9 below or the transaction exceeds \$25,000 (\$75,000 for the Director, Facilities).

5.1.1 The following criteria must be met to be considered a valid approval:

- The individual providing the approval is identifiable,
- The approval can only be created or performed by one person with the proper credentials and cannot be duplicated by anyone else,
- The date of the approval is clear, and
- It must be clear what is being approved.

5.1.2 Appendix A: The Signing Authority Decision Chart provides further guidance on the approval required for specific transactions and forms an integral part of this policy.

- **Process:** Financial Services is the department responsible for processing all financial transactions. Financial Services will proceed with processing only upon receiving approved transaction requests which comply with NWP policy and procedures, including the Financial Signing Authority Policy. If Financial Services identifies concerns with a transaction, it will be returned to the Budget Owner or their direct supervisor for review and correction.

6 One-Over-One Approvals

6.1 Approval by the Budget Owner's One-Over-One Approver is required where the Budget Owner is also the Claimant, such as approving a reimbursement to oneself or the expense conveys, or can be perceived to convey, a personal benefit to the Budget Owner. The One-Over-One Approval provides assurance that the expenditure is reasonable and required for NWP operations.

6.2 Typical financial transactions which create a conflict of interest and require One-Over-One Approval include, but are not limited to:

- Travel or Expense Reimbursements
- P-card transactions
- Hospitality expenses
- Honorariums

6.3 The Director of Financial Services or Vice President, Finance and Administration reserves the right to request a One-Over-One Approval on expenditures not included in the above listing if an actual or perceived personal benefit may be bestowed upon the approver.

7 Multi-Unit or Multi-Year Transaction Approvals

7.1 Transactions which create a Contractual Obligation beyond the current fiscal year cannot be both reviewed and approved by the Budget Owner. Multi-Year transactions are approved by the Departmental Vice President.

7.2 Transactions which are allocated to multiple Cost Centres must be approved by the:

- Divisional Vice President overseeing the affected Cost Centres.
- Applicable Vice Presidents if the affected Cost Centres span beyond a single division.

7.3 Cross-divisional transactions which the Polytechnic does not have the authority to avoid, such as tax remittances, payroll deposits or payments under collective agreements are approved by the Director, Financial Services.

8 Capital and Research Project Approvals

8.1 Capital approvals are subject to approval by the Vice President, Finance and Administration through the Capital Budget listing.

8.2 For capital transactions, the Budget Owner is deemed to be the Capital and Space Management Coordinator less than \$7,500; Director, Facilities for items less than \$75,000; and the Vice President, Finance and Administration over \$75,000.

8.3 For certain research and trust account transactions, approval must come from the principal researcher or trust holder to meet the stipulations of external funding agencies. Identification of principal researchers can be made in writing to Financial Services.

9 Delegation

9.1 No person is authorized to make any decisions or sign any document if it creates an obligation or undertaking on behalf of NWP unless the person has the delegated authority.

9.2 Individuals granted financial signing authority under this policy may temporarily delegate their responsibilities to another individual in an acting role for periods of absence from the Polytechnic.

9.3 A position that is supervisory to a position that has been delegated signing authority under this policy also has the authority to sign.

10 Digital Signatures and Electronic Approvals

10.1 NWP supports the use of electronic signatures and other forms of electronic approvals provided the electronic approval follows the guidelines in Section 4.15 and electronic signatures are in the form of a Secure Digital Certificate.

10.2 Cheque signing authority is limited to the President, Chair of the Board of Directors, Vice President, Finance and Administration, and Director of Finance. Cheques require dual signatures to be valid.

11 This policy falls under the preview of the Vice President, Finance and Administration. The Vice President, Finance and Administration is responsible for the interpretation and application of this policy.

12 Exceptions to the Policy

12.1 Exceptions to this policy must be documented and approved by the Vice President, Finance and Administration. Documentation on policy exceptions must contain:

- A description of the nature of the exception, including the date the exception expires;
- Justification for the exception; and
- An analysis of the risks created by the exception and alternate steps taken to mitigate the risk.

12.2 Policy Exceptions will be tracked and stored within the Financial Services department according to the Records Management Policy.

13 Appendices

13.1 Appendix A – The Signing Authority Decision Chart

14 Revision History

14.1 This policy was created July 7, 2003

14.2 Updated January 23, 2018

14.3 Updated May 24, 2022

14.4 Updated June 22, 2023

14.5 Updated December 5, 2023

Signing Authority Maximums								
		Level 0	Level 5	Level 4	Level 3	Level 2	Level 1	Policy Reference
Procurement Methods	Notes	Requestor	Budget Owner	Director Facilities & Executive Directors	Vice President	President	Board of Governors	
Hospitality								
Events		\$ -	\$ 2,500	\$ 2,500	\$ 150,000	Unlimited	Unlimited	Hospitality
A gift on behalf of NWP		\$ 100	\$ 250	\$ 250	\$ 150,000	Unlimited	Unlimited	Hospitality
Employee Expenses								
P-card transactions	Approved by One over One	\$ 1,000						Use of Credit Card
Travel expenses, Hospitality expenses for a staff function, Reimbursement for NWP expenses paid personally, Professional development	Approved by One over One							Hospitality, Travel
Expense Contracts								
General Purchase		\$ 1,000	\$ 25,000	\$ 75,000	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Procurement, Contract, Asset Management
Multi Year Contract		\$ -	\$ -	\$ -	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Procurement, Contract Management
Construction Contract		\$ -	\$ 25,000	\$ 75,000	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Procurement, Contract, Asset Management
Capital Purchase	Budget owner for capital is Capital Coordinator	\$ -	\$ 7,500	\$ 75,000	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Procurement, Contract, Asset Management
Purchase of Land		\$ -	\$ -	\$ -	\$ -	Unlimited	Unlimited	Financial Signing Authority
Crosses Divisional Budgets		\$ -	\$ -	\$ -	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Contract Management
Revenue								
Grant Agreement	Signing authority follows the requirements set out by the granting authority							Financial Signing Authority, Contract Management, Research Grants
Revenue Generating Agreement			\$ 2,000	\$ 2,000	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Contract Management
Long Term Borrowing		\$ -	\$ -	\$ -	\$ -	Unlimited	Unlimited	Financial Signing Authority, Contract Management
Endowment or Other Donation Agreements		\$ -	\$ -	\$ -	\$ 150,000	Unlimited	Unlimited	Financial Signing Authority, Contract Management
Refund or Credit on Account	Director of Finance to approve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Financial Signing Authority
No Funds Transfer								
Practicum		\$ -	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Financial Signing Authority, Contract Management
Mou		\$ -	\$ -	\$ -	Unlimited	Unlimited	Unlimited	Financial Signing Authority, Contract Management
External Legislation Requirement								
Payroll expenses, debt payments, GST remittances	Director of Finance to approve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Financial Signing Authority

Legend	General	Technical Services	Construction
Direct Award	0-24,999	0-49,999	0-74,999
Quotes / Sole Source	25,000-74,999	50,000-74,999	75,000-199,999
Competitive Bid	75,000 and over	75,000 and over	200,000 and over