The following frequently asked questions and process support information are related to the SPS Expenditures Approval Policy released February 24, 2017 and as amended on April 10, 2017.

FINANCE

A. What is the process for obtaining pre-approval to encumber goods or services or commit SPS funding for an expense?

Effective February 24, 2017 and as amended on April 10, 2017, all expenditures to a single person, vendor, or entity that exceed $2500 per transaction require pre-approval for encumbrance. SPS employees and affiliates must request authorization to obligate or commit SPS funds by following the below process:

1) The encumbrance must be first approved by the budget owner.
    a) The requester will then complete an encumbrance voucher by completing the form at https://inside.ce.columbia.edu/fp/?q=expenseauthorization
2) The form must be filled out completely and conform to the following minimum requirements:
    a) The request must be made two weeks to a month in advance of normally submitting to SPS Finance for processing. Please ensure that you plan in advance and are mindful of the processing times for transacting for goods and services.
    b) All fields including the department/program and account coding must be completed.
    c) Adequate description of encumbrance including vendor name and address must be completed, where applicable.
    d) Back-up details must be available to support the amount included on the voucher should further detail be required.
    e) Blanket requests are not allowed. All encumbrance vouchers must be based on a vendor quote or estimate.
    f) All expenditures over $20,000 must be signed by the Associate Dean of the associated department/program.
3) All submissions will be reviewed and approved on a weekly basis after they are made. The Dean's Office will review and make a decision via email notification. The Dean's Office will endeavor to issue a decision within a week but personnel-related requests make take longer.
4) In the event of an emergency, requests should be submitted through the regular encumbrance voucher form and flagged as an emergency request.
5) The email notification must accompany all supporting documentation when submitting to SPS Finance for processing to https://sps-finance.zendesk.com
6) The encumbrance will be approved on a weekly basis.
7) The requester is responsible for ensuring that proper approval is obtained for all commitments or obligations that fall under this policy as well as compliance with University policies and procedures.

B. **Is there a threshold between what is authorized and what can be approved without being re-submitted for authorization?**

Yes. In the event that your actual expense is higher than the initial approved expense, you will need to re-submit the expenditure for re-approval for the variance unless the variance is within $2500 of the initial approved expenditure. For example, if an expense is approved at $10,000 but the actual expense is $12,500, $2,500 will need to be re-submitted for pre-approval before expended. On the contrary, resubmission is not required for a variance of $500 for an expenditure that was initially approved at $2,500.

C. **How do I submit my event for approval? Do I need to get every expense item approved?**

It is expected that events are planned in advance of the event date with sufficient time to obtain approval as well as process requisitions required for the event. Event budgets based on vendor estimates must be submitted for pre-approval through the encumbrance voucher process as described in Appendix 2. Budget estimates for the event need not be submitted individually. Budget owners for the event and not the SPS Events team should submit the request and provide approval to SPS Events when planning/executing the event.

D. **How do I submit my travel for approval? Do I need to get every expense item approved?**

It is expected that travel is planned well in advance of the travel date with sufficient time to obtain approval as well as process travel advances and other travel needs required for the travel. Travel budgets based on travel agent or internet search estimates must be submitted for pre-approval through the encumbrance voucher process as described in Appendix 2. A complete itinerary along with the travel estimates must be available for each individual trip. Budget estimates for the travel (e.g., hotel, airfare, meals, etc.) need not be submitted individually, however, requestors should maintain these estimates for their records even though they are not submitted as part of the form.

E. **What if I currently have a PO, is approval required for future invoices against this existing PO?**

No. If you currently have a PO that was approved prior to the effective date of the policy, invoices against the PO do not require pre-approval. However, any change orders that meet the criteria of the policy will need to be pre-approved and submitted through this approval process. Further, any future requisitions that meet the criteria under the policy will need pre-approval and must be submitted through this approval process.

F. **What about payments to agents for commissions or discounts on student accounts (exclusive of SPS-employee discounts)?**

Variable contracts (e.g., Agents, partner discounts to students, etc.) are approved and as long as payment is within the contracted amount and calculation, no additional submission required.

G. What if my request is denied? What are the next steps?

Please consult SPS-Finance.

HUMAN RESOURCES

A. How do I submit a request for review for hiring related items?

All requests should be directed to spshr@columbia.edu. All submissions will be reviewed and approved on a weekly basis The Dean's Office will endeavor to issue a decision within a week but personnel-related requests make take longer.

B. I currently have a search ongoing. Does that position require this supplementary approval?

It depends. Positions approved and posted in JAC prior to 2/24/2017 do not need to be authorized through this process. All other positions require pre-approval.

C. Does this process replace existing University or School HR policy?

No. This is an additional step that does not replace any existing University or School requirements for hiring or other personnel actions.

D. Does this policy mean I need to submit finalists prior to extending job offers to candidates?

No, only positions need to be approved, not specific individuals for hiring of grades 15 and below. Positions grade 16+ and ungraded must be submitted.

E. If I have received hiring authorization, either through the annual hiring planning process, or through this process, are other expenses approved as well?

Yes, hiring authorization also includes authorization for the costs associated with the required job postings and background checks.

F. I have contractors, students, or other workers paid hourly in excess of $2,500 that I approve. Are they subject to approval in this policy?

Student wages are to be exempt from the expenditures approval policy. Contractors and non-student workers are not, even if they are paid hourly. If there is a new non-student hire or a new contractor to be brought on board, and it is anticipated that the person/contractor will earn more than $2500, approval for the hire is needed. However, ongoing weekly approval for the payment of earned wages is not required.

G. **My team conducts bulk seasonal or temporary hiring (e.g., Internship for Building Community). Do those hirings need to be approved?**

Yes, but only the positions, not the individuals. Bulk hiring plans can be submitted in advance in a single spreadsheet with positions and salaries.

H. **Are raises and promotions required to be authorized?**

Raises or promotions that result in an increase over $2,500 require approval under this policy.

I. **Is additional compensation required to be authorized if over $2500?**

Additional compensation requests (over $2,500) must be authorized.

FACULTY AFFAIRS

A. **Do academic salaries that have been submitted as part of the Course Planning System (CPS) require authorization?**

For the AY16-17, salaries approved as part of the CPS do not need to be reauthorized.

For AY 17-18 and beyond (beginning in the Summer 2017 term), Faculty Affairs will submit the CPS for approval. After initial approval of the CPS, only new positions need to be approved, not specific individuals. For example, additional sections that are added to the CPS after the budget is approved will require authorization. Program Directors and/or Divisional Executive Directors will be required to obtain authorization under this policy, prior to submitting to Faculty Affairs for processing.

B. **Do additional expenses associated with job postings and background checks need to be authorized separately for each position?**

Hiring authorization includes permission to purchase required job postings and background checks that can exceed $1,000 without additional authorization.

C. **Is faculty additional compensation required to be authorized if over $1000?**

Additional compensation requests (over $1,000) that are not part of original academic contracts require approval. Additional compensation included in contracts that have already been approved on the CPS (typically for course development, travel, or advising) will not require additional authorization.

D. I have contractors, students, or other workers paid hourly in excess of $1,000 that I approve. Are they subject to approval in this policy?

Student wages are to be exempt from the expenditures approval policy. Contractors and non-student workers are not, even if they are paid hourly. If there is a new non-student hire or a new contractor to be brought onboard, and it is anticipated that the person/contractor will earn more than $1000, approval is needed.

E. Are raises and promotions required to be authorized?

Raises or promotions that result in an increase over $1,000 require approval under this policy.

Appendix 1: Definitions

1. **Definitions**
   a. Encumbrances are commitments related to unperformed (executory) contracts for goods or services. They represent commitments of fund balance as distinguished from liabilities and only become expenditures when they are liquidated. Encumbrances represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.
   b. A blanket request is a request an employee makes which contains multiple items which may or may not cover multiple business purposes over a period of time. It is normally used when there is a recurring need for expendable goods which are not yet defined or predetermined.

Appendix 2: Process for Approval of Encumbrance

START: An employee or affiliate requires funding for a SPS business purpose that is in accordance with University Policies/Guidelines.

SPS requestor seeks approval from the budget owner to utilize funds against their budget. Budget owner approves?

NO → **STOP.** No further action required. Funds cannot be encumbered, committed or expended.

YES

Does the obligation exceed $2,500 per transaction to the same entity?

NO → Submit the request to SPS Finance for processing and/or proceed with making expenditure, where appropriate per guidelines.

YES

On the encumbrance voucher form, submit the request for SPS funding to the Dean's Office two weeks to one month prior to normal submission to SPS Finance for processing. All requests are consolidated at 3pm on Fridays.

Was the request approved by the Dean's Office?

NO → Consult with SPS Finance

YES

An approval notice is sent via email. Print and upload this notification along with your other paperwork required to process the request to SPS Finance via https://sps-finance.zendesk.com/

END