

PPPL	PRINCETON PLASMA PHYSICS LABORATORY	POLICY	No. P-091 Rev 1 Page 1 of 4
	Subject: Policy for Signature Authority	Effective Date: June 2, 2016	Initiated by: Head, Business Operations
	Supersedes Revision 0, dated 8/6/03 and TCRs 1-4	Approved: Director	

Management System (Primary): 07.00 Business Operations
Management System Owner: Head, Business Operations
Management Process: 07.03 ES&H - Procurement and Contract Management
Process Owner: Head, Business Operations
Sub-Process: 07.03.03 Buyer Signature Authority
Sub-Process Owner: Head, Business Operations; Head, Procurement
Subject Matter Experts (SMEs): Head, Accounting and Financial Controls Division

It is PPPL policy that all expenditures must be approved by individuals who are authorized by Laboratory Management to do so. This document outlines the Laboratory's policy on designating signature authority to approve the transaction types identified below. This policy does not apply to labor expenditures or stockroom withdrawals. These expenditures are approved through separate procedures. The signature authority described herein does not empower the designated individual to bind the Laboratory in contractual agreements with third parties. Authority to bind the Laboratory in agreements with third parties may only be granted by resolution of the Princeton University Board of Trustees and must be specifically granted in writing. Regular PPPL, Department of Energy, and Princeton University employees may be given signature authority. Providing signature authority to non-PPPL employees will be considered on a case-by-case basis. A Signature Authority List has been established which lists by Cost Center, Work Package and Job, the individuals and the maximum dollar amounts for which they are authorized to sign. Individuals responsible for reviewing documents for proper approval, primarily in the Procurement and Accounting Divisions, use the Signature Authority List.

Signatories approving expenditures to be charged against the DOE Prime Contract are verifying the following:

- The expense being approved is incurred specifically for and benefits the mission/work of the account to which the expense will be charged.
- The expense being approved is reasonable. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person conducting a competitive business.
- The expense being approved is not specifically made unallowable pursuant to the terms of PPPL's Prime Contract.

All individuals authorized to approve expenditures should have knowledge of the Princeton Plasma Physics Laboratory Unallowable Cost Guidelines.

Questions regarding and interpretations of this policy may be addressed to/obtained from the Head, Accounting and Financial Controls Division.

TRANSACTION TYPES:

- Procurement Requisitions
- Travel (Approval Forms and Vouchers)
- Petty Cash Transactions
- Miscellaneous Payments
- Office Supplies – Material Requisitions
- Credit Card Transactions *
- Shipping Orders **

* Designated Approving Officials approving credit card statements containing transactions charged to cost centers other than their own must ensure the credit card holder obtained appropriate approvals. (e.g. Procurement uses their credit card to purchase materials and supplies for various cost centers.)

** See Lab Procedure MC-005 for lower level approvals allowed on shipping orders.

ESTABLISHING SIGNATURE AUTHORITY

On a periodic basis, the Laboratory Director designates signature authority to Department Heads and other responsible individuals. Department Heads are authorized to make any necessary revisions within their Departments. Signature Authority List Revision Forms are required for these additions, deletions or changes to Cost Center, Work Package or Job Accounts. Signature Authority List Revision Forms are required for all new cost centers and for new work packages and jobs when signature authority is required at that level. Cost Centers, Work Packages and Jobs should be printed as they appear in the Chart of Accounts. All individuals should be listed with the applicable code and the maximum dollar amounts they are authorized to approve. A Department Head must be designated for all Cost Centers, Work Packages and Jobs. Signature authority changes to existing Cost Centers, Work Packages or Jobs are made in the same manner as establishing new records. The form is signed by the requestor and approved by the Department Head. The form is returned to the Head of Accounting or designee to be reviewed for complete information and proper approvals and is then entered into the Business System.

SIGNATURE AUTHORITY STAFF LEVELS

The Laboratory Director has unlimited signature authority for all Laboratory accounts. The Deputy Directors have unlimited signature authority for all accounts under their purview. Below is a list of staff levels that may be designated authority to approve the transaction types listed above:

- Department Head
- Deputy Department Head
- Division Head
- Deputy Division Head
- Cost Center Manager/ Other Responsible Individual
- Planning and Control Officer

SIGNATURE AUTHORITY AT THE WORK PACKAGE AND JOB LEVEL

Signature authority for work packages is allowed in cost centers that maintain budget responsibility at that level (e.g., Director's Fund and Lab General). Signature authority may also be allowed at the work package or job level when a lower level of signature authority is required. However, Accounting will review these requests to ensure that signature authority is needed at this lower level and to ensure that accounts are set up to preclude the charging of inappropriate cost centers.

SUBSTITUTES

Substitutes will not be allowed to approve transactions when an authorized individual is unavailable. Approval will be required by the next level up in the organization structure, i.e., when the Division Head is on vacation and a Deputy position does not exist, the Department/Deputy Department Head will be required to approve the transaction. In the absence of all of the positions above, Deputy Director or Director approval is required.

Department Heads may implement additional restrictions to the signature authority process for their department.

EXPENDITURES FOR INDIVIDUAL'S OWN BUSINESS USE

Individuals with signature authority (including Department Heads) must obtain approval from their supervisor (Division Head, Department Head, Deputy Director) when purchasing particular items for their own business use. (This supervisor approval is in addition to any requisition, procurement card, automated data processing equipment (ADPE), or other special Laboratory approvals required). Supervisor approval is required for the following types of expenditures when the procured products are for the signatory's own business use:

- Professional memberships (requires Department Head Approval for the employee's first membership. The Deputy Director's Approval is required for memberships after the initial membership.)
- Subscriptions/ Publications
- Professional licenses
- Travel
- Equipment/materials/office furniture costing \$1,000 or more
- Desktop/ Laptop computers
- Sensitive Property (see http://material-control.pppl.gov/SensitiveProp_01-12.pdf.)

Individuals with signature authority buying the following types of items for their own business use do not need their supervisor's approval (however, as stated above, all other necessary Laboratory approvals are required):

- General office supplies
- Equipment/materials/ office furniture costing less than \$1,000
- Desktop printers

SIGNATURE AUTHORITY LIST REPORT

The Signature Authority List is available on the Accounting home page under “Reports and Signature Authority List”.

TRAINING

Head, Accounting
and Financial
Controls Division

1. Sends copy of this policy to all listed below.
 - A. Target Audience: Department Heads, Deputy Department Heads, Division Heads, Deputy Division Heads, Cost Center Managers/ Other Responsible Individuals, Planning and Control Officers.
- Instructor: None read only
 Training Method:
 Read only
 Email distribution only
- Frequency:
 Once only

RECORDS REQUIREMENTS SPECIFIC TO THIS PROCEDURE

Records Custodians must assure records are maintained as follows:

Record Title	Record Custodian	Location	Retention Time
Signature Authority List	Head of Accounting or designee	Business System	Destroy 6 years after final payment or cancellation, but longer retention is authorized if required for business use. <i>Reference: GRS 1.1 Financial Management and Reporting Records (010)</i>