

TRANSACTION AUTHORIZATION CARD–SPECIAL (TAC-SP) PROCESS DESCRIPTION

Purpose

In accordance with decentralized responsibility center management and “Financial Policy #2701- Internal Control Policy” the responsibility for a variety of controls must be delegated to the schools and centers. One such control is the approval of high dollar disbursements for transactions that have been previously authorized.

These disbursement transactions require a review and approval process that is different from the authorization process followed by Schools/Centers for the purchases of goods and services that cannot be procured utilizing the preferred Purchase Order and Purchasing Card Methods.

This document describes the nature of those transactions and the process.

Transaction Authorization Card- Special (TAC-SP) Process

The TAC-SP designation is limited to the review and approval of high dollar corporate type disbursements for transactions that have been previously authorized at higher authority levels including Senior Managers and the Board of Trustees via previously executed contracts or other documents. Examples include:

- Inter-entity transfer disbursements
- Debt disbursements
- Payroll related disbursements including tax remittances
- Central disbursements to banks for purchasing cards
- HR related disbursements including benefits, claims
- Tuition related disbursements
- Construction related disbursements
- Insurance related disbursements

The amounts of these payments vary greatly, so the TAC-SP designation has an unlimited authority level. Delegation of unlimited authority must be tightly controlled with respect to both the types of transactions and the individuals assigned such delegation.

The Senior Business Administrator of each School/Center and/or Chief Operating Officer (e.g. Deans or equivalent) is ultimately responsible for determining which personnel should be given TAC-SP cards. It is important that the Senior Business Officer delegates his/her authority to others in a manner that is commensurate with the individual’s title, pay grade, and span of control within a school or center. This includes delegation to the School/Center TAC Coordinator.

School/Center TAC Coordinators need to train TAC-SP holders to ensure that they understand the SP designation is limited to the specifically identified and formally documented transactions- not procurement. Those individuals should understand that they are verifying and approving that the disbursement is appropriate based on the terms and conditions of the previously authorized contracts or other documents. Where possible, a separate card should be issued to TAC-SP holders to prevent any misunderstanding and potential misuse of a TAC-SP card. Having two SP designees (e.g. department head or chair and his/her designee) in the case of absences is acceptable.

The TAC-SP process is maintained by the Office of the Comptroller on behalf of the schools and centers.

The “Transaction Authorization Card-Special (TAC-SP) Request Form” is not a self-service form available on the Comptroller’s website. Customized assistance is generally required from Comptroller’s Office personnel to ensure proper understanding and completion by the limited number of TAC-SP holders and the School/Center TAC Coordinators to which it applies.

If after joint discussion and review, the School/Center determines that a TAC-SP is necessary and appropriate, the TAC-SP Form must be completed and submitted to the Comptroller’s Office.

The Office of the Comptroller will retain the “Transaction Authorization Card-Special Request” documents and issue the cards. The cards are effective for up to two years unless the School/Center requests deletion, change, or replacement. At the end of each two year cycle, a list of TAC-SP card holders and their previously completed forms will be sent to both the Senior Business Administrator and the School/Center TAC Coordinator requesting verification prior to the issuance of renewal cards. Cards are to be collected and destroyed by School/Center personnel for changes and terminations.

The Accounts Payable “completeness check” will verify that the transaction description matches the “Transaction Authorization Card-Special Request” documents. If there is a difference, the disbursement will not be processed and will be returned to the School/Center TAC Coordinator for investigation and resolution.

Any additions/deletions/changes that need to be made to the TAC SP holder’s Previously Authorized Transaction Requiring Special Payment Approval list originally submitted on their Transaction Authorization Card-Special (TAC-SP) Request form must be approved by the School/Center Card Coordinator or Senior Business Officer. The TAC Card holder requesting the change should contact their Senior Business Administrator/School/Center Card Coordinator via email requesting approval of the new SP item. The Senior Business Administrator/School/Center Card Administrator should copy the Comptroller’s TAC Coordinator on the approval email as evidence of approval. The approval will be attached to the addition made to the user’s Transaction Authorization Card-Special (TAC-SP) Request form.