

Policy

Policy Title:	Delegation of Expenditure Authority				
Policy Number:	040-010	Version:	3.0	Effective Date:	07/01/2011

Approved for DHS By: *Jim Scherzinger, Chief Operating Officer*

Date Approved 07/10/11

Approved for OHA By: *Suzanne Hoffman, Chief Operating Officer*

Date Approved 07/07/11

Overview

Purpose/Rationale: Oregon statutes afford agency directors the responsibility for approving the use of public resources for the commitments, expenditures and disbursements of their agency. The purpose of this policy is to establish accountability standards and guidance for all employees with delegated expenditure authority.

Applicability: This policy is applicable and binding on all Deputy Directors, Assistant Directors, Deputy Assistant Directors, Administrators, DHS managers and designees with expenditure authority for the Department of Human Services and the Oregon Health Authority.

Failure to Comply: Employees may be liable under ORS 291.990 for the improper use of public funds. Employees, who, authorize or cause to be made any expenditure or obligation in violation of state statutes, policies or procedures can be:

- Subject to fines and penalties,
- Held personally financially liable for the inappropriate expenditure, and
- Subject to disciplinary action up to and including dismissal.

Personnel who have delegated expenditure authority can be held accountable and responsible for his/her designee authorizing an expenditure when he/she has reason to know:

- The expenditure was contrary to agency policies, did not comply with agency administrative business or program requirements, and/or was not an authorized exception to agency policies.
- There was insufficient expenditure limitation or revenue.
- The expenditure was unlawful.

Policy

The Director and applicable designees are responsible for ensuring that the employees who have delegated signature authority are knowledgeable about the statutes, policies and procedures governing the delegated authority and the affect that authority has on program operations, expenditure limitation, and anticipated revenues.

Delegated signature authority is an important internal control mechanism designed to protect public funds. The authority should be limited to the minimum amount and number of employees needed to maintain control, but not impede daily operations.

Each employee authorized to make an expenditure decision must ensure that the expenditure is for authorized purposes and reflects prudent, economical and fiscal stewardship of public resources. Public funds must currently be available to the agency through appropriation, limitation, or other legislative authority. Payments may not result in direct or indirect personal gain and must be able to withstand audit review and public scrutiny.

Procedure(s) that apply:

[DHS-040-010-01: Exercising Expenditure Authority](#)

[DHS-040-010-02: Inappropriate Actions](#)

Form(s) that apply:

[MSC 0286](#): Delegated Signature Authority

[DHS 2117](#): Employee Separation check List

Definition(s):

See [Common Terms](#) for all Finance policies

See [Common Terms](#) for all Administrative Services Division policies

Reference(s):

[Oregon Revised Statutes](#)

Government Standards and Practices	Chapter 244
Code of Ethics	244.040
Public Financial Information	Chapter 291
Allotments/Budget	291.190 – 291.336
Fidelity Bond	291.011
Financial Management	291.100 – 291.120
Penalties – Misconduct	291.990
Administration of Public Funds	Chapter 293
Approving and Paying Claims	293.295
	293.300
	293.330
	293.406
	293.462
Electronic Fund Transfer	293.525
Failure to correct	293.515
Wrongful Payment – Liability	293.485
Human Services	Chapter 409
Delegation of Authority of Director	409.120

[Oregon Accounting Manual \(OAM\)](#)

Internal Control-Expenditures 10.40.00

[Department of Administrative Services, Risk Management Policy Manual](#)

Employee Dishonesty Policy Manual 125-7-203

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Policy History:

- **Version 3.0:**
 - **07/01/2011** – New form MSC 0286, Delegated Signature Authorization, replaces DHS 0286. Wording revised to incorporate both Oregon Department of Human Services and the Oregon Health Authority
- **Version 2.0:**
 - **07/01/2008** – Revised
- **Version 1.0:**
 - **12/24/2002** - Initial Release