

Operational Policy

Policy title:	Delegation of Expenditure Authority		
Policy number:	DHS OHA-040-010		
Original date:	07/01/2011	Last update:	08/01/2014
Approved:	Jim Scherzinger, DHS Chief Operating Officer Linda Hammond, Interim OHA Chief Operating Officer		

Purpose

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. Delegated signature authority is an important internal control mechanism designed to protect public funds.

Description

This policy is applicable and binding on all managers and designees with expenditure authority for the Department of Human Services and the Oregon Health Authority.

Applicability

This policy applies to all DHS and OHA staff including employees, volunteers, trainees and interns.

As keepers of the public trust, all agency employees have a responsibility to comply with state and agency policies, administrative rule, and state and federal law. The agency takes this responsibility seriously and failure to fulfill this responsibility is not treated lightly. Employees who fail to comply with state or agency policy, administrative rule, or state and federal law may face progressive discipline, up to and including dismissal from state service.

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 their designee authorizing an expenditure when:

- 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

1. The Director and applicable designees are responsible for ensuring that employees who have delegated signature authority are knowledgeable about the statutes, policies and procedures governing the delegated authority and the affect that their authority has on program operations, expenditure limitation, and anticipated revenue.
2. The delegated authority must be limited to the minimum amount and number of employees needed to maintain control, but not impede daily operations.
3. 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.

References

Procedure(s) that apply:

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

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

Definition(s):

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

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

[Oregon Revised Statutes](#)

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|---------------------------------------|-----------------------------|
| 1. Government Standards and Practices | Chapter 244 |
| A. Code of Ethics | 244.040 |
| 2. Public Financial Information | Chapter 291 |
| A. Allotments/Budget | 291.190 – 291.336 |
| B. Fidelity Bond | 291.011 |
| C. Financial Management | 291.100 – 291.120 |
| D. Penalties – Misconduct | 291.990 |
| 3. Administration of Public Funds | Chapter 293 |
| A. Approving and Paying Claims | 293.295 |
| | 293.300 |
| | 293.330 |
| | 293.406 |
| | 293.462 |
| B. Electronic Fund Transfer | 293.525 |
| C. Failure to correct | 293.515 |
| D. Wrongful Payment – Liability | 293.485 |
| 4. Human Services | Chapter 409 |

[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

Forms referenced

[MSC 0286](#): Delegated Signature Authority

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

Related policies

Insert related policy numbers and titles here

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Policy history

12/24/2002 - Initial Release

07/01/2008 - Revised

07/02/2011 - 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

08/01/2014 - Update to new format

Keywords

Insert keywords here

Keywords should be designed to help individuals locate this policy when they need it.

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