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TO: All DWD Staff

FROM: Ronald L. Stiver, Commissioner *RLS*

THRU: Monty W. Combs, Deputy Commissioner  
Finance/Controller *MWC*

DATE: March 18, 2005

SUBJ: DWD Policy 2004-20  
Signature Requirements

**PURPOSE:** To share with staff the DWD agency requirements for signatures on documents. Lead Team Members are encouraged to identify in writing, designated staff who may sign in their absence.

**RECISSIONS:** None.

**CONTENT:** According to Indiana Code, the State Accounting Manual and guidance from the State Board of accounts, approval signatures are required on all time documents (A-4, 2808, etc.) invoices, procurement requests and/or requests for payment. Depending on the type of document, more than one signature may be required. For example, payment requests involving contracts, letters of agreement, memorandums of understanding and the like require the signatures of the project manager and the assigned staff person in the DWD Grant and Contract Support Unit. The Project Manager (who is usually the person who initiated the contract) is required to sign the document in order to signify that the deliverable (or payment point) required in the contract or agreement has been met and is satisfactory. It is then handed off to the Grant and Contract Support Unit staff for their approval. Their approval signifies that the amount is correct and the balance remaining in the contract or agreement is enough to cover the requested payment without exceeding the contractual amount.

In the case of the receipt of goods or services, the signatory is indicating that the goods or services have been received and are satisfactory. This could include anything from office supplies to utilities. Frequently, the question is asked, "If I signed a request to purchase the goods or services in the first place, why do I have to sign that I received them?" Submitting a request for goods or services to be obtained is not the same as signifying that you have, in fact, received them. Or, that once received, they/it meets specifications and functions satisfactorily. The DWD Procurement staff and Accounts Payable staff are usually unaware of the status of the receipt of the goods or services. Therefore, they must rely on the staff who placed the order(s) to confirm that they received the goods and that

they meet the required expectations. If goods are returned to the vendor because they are not satisfactory, please notify the purchaser in the Procurement Section and/or the Accounts Payable Section so that payment may be disputed, denied or adjusted.

The Procurement Section will send the requestor a notification that the goods or services to be obtained have been placed on order. They will also provide the requestor with a form to be completed and signed upon receipt of the goods or services. This provides the needed signatory authorization for payment. In the case of contracts, MOU's and the like, the Grant and Contract Support Unit staff will provide a cover transmittal for the Project Manager to sign and return. It will then be reviewed and approved by the Grant and Contract Support Unit staff and forwarded for payment. The Accounts Payable Section also has a cover transmittal it uses to forward payment invoices for approval by the receiver. In all cases, the signatory should sign and indicate the cost center and project/function code to which the purchase/payment should be charged. Return the document(s) to the section from which they were received.

Effective immediately, Lead Team Members are hereby required to designate one or more staff who may sign documents for them. Your choice(s) are not limited to supervisors and managers. The persons chosen should be available on a dependable and consistent basis. This designation should be accomplished by writing a memo of designation and sending it to the Accounts Payable Section to be kept on file for audit purposes. If a signatory is to be limited to only certain documents, please indicate in your memo what those are. Such designations will help to avoid delays in conducting the agency's business when Lead Team Members are gone. Should you have a need to change your designee(s), please do so in writing to Accounts Payable at the time they occur. It is imperative that the designated signatories file maintained by AP be kept current at all times.

Lead Team Members are asked to prepare their memo of designation and submit it to the Accounts Payable Section by no later than April 1, 2005.

EFFECTIVE DATE: Immediately.

REVIEW DATE: March 18, 2007

OWNERSHIP: Accounts Payable

**ACTION REQUIRED:** Staff who request the purchase or procurement of any business related costs, contracts, goods, or services are to adhere to the requirements outlined above. Failure to do so could result in questioned costs at the time of audit by the State Board of Accounts. Your cooperation and prompt response when asked to review documents will be greatly appreciated. If you have questions, please feel free to contact Pat Tweedy, AP Manager or Sharleen Daniel, Chief of ARU.

MWC/PLT: pt