Background

University policies connect the university’s mission with individual conduct, clarify institutional expectations, support compliance with laws and regulations, mitigate institutional risk, and enhance productivity, efficiency and cost containment in the university’s operations. University policies should be thoroughly reviewed, maintained, and made available to the university community to promote awareness, compliance and accountability. This policy addresses the formulation and issuance of financial policies that apply institution wide.

Policy and Procedures

Proposing and Developing a University-Wide Financial Policy

Any individual or unit may identify the need for a new financial policy; however, an appropriate administrator at the vice president level or higher must agree to sponsor its development and be accountable for its procedures. The administrator will appoint a responsible office(s) to consult with the Financial Policy Development Committee (FPDC) in developing a policy draft.

Once the responsible administrator/office(s) and FPDC agree on the content and procedures, the FPDC will shepherd the policy draft through the appropriate bodies for review and feedback. The FPDC will share feedback with the responsible administrator/office and make appropriate changes before recommending the policy to the Senior Vice President for approval at the Executive Committee.

Following approval of a policy, FPDC, in collaboration with the responsible offices, will provide the necessary communication and training to the university community.

In addition, a financial policy may be formulated or revised in response to audit findings. In these situations, FPDC will develop or revise policies in conjunction with the Office of Vice President for Finance and be responsible for the appropriate review and recommendation processes and the appropriate promulgation, communication and training.
All new or revised financial policies must conform to the standard policy format and be available on the university’s Policies and Procedures Web site.

**Updating a Financial Policy**
On an as-needed basis, the responsible office will request that Administration and Finance’s Business Affairs Office make routine changes, such as contact and title information, to an existing financial policy.

**Review Sequence**
All financial policies are recommended to be periodically reviewed every five years, or as circumstances dictate.

**Withdrawing a Financial Policy**
In special circumstances, a responsible executive may deem it appropriate to withdraw an existing policy or consolidate it with another policy and will inform the FPDC of this intent. In collaboration with the responsible administrator and with the approval of the Senior Vice President and the Executive Committee, the FPDC may issue an announcement of a withdrawn policy.

**Flexibility Related to Established Policies**
Organizational units may institute more, but not less, restrictive policy requirements/allowances.

**Related links:**
- UC Policies and Procedures Web site

**Phone Contacts:**
- Office of Senior Vice President for Administration and Finance 556-2413
- Office of Vice President for Finance 556-1299
- Office of the Controller 556-3152