




MEMORANDUM

MARY ANNE FITZPATRICK, DEAN  
COLLEGE OF ARTS AND SCIENCES  
EDUCATIONAL FOUNDATION DISTINGUISHED PROFESSOR

DATE: August 22, 2006  
TO: Chairs, Directors, and Departmental Business Managers  
FROM: Mary Anne Fitzpatrick   
SUBJECT: **Departmental Spending Authority - \$10,000**

In March 2005, the College's financial affairs unit started reviewing all departmental spending actions where the total cost exceeded \$1,500. As of August 2005, the financial affairs unit also started conducting rotating weekly site visits to strengthen departmental understanding of and compliance with fiscal regulations set forth by the State of South Carolina, USC, the College of Arts & Sciences, and the USC Educational Foundation. The focus of each visit was an on-site examination of documentation associated with:

- USC deposit transmittals
- USC purchasing card transactions.
- Spending actions to include purchase requisitions, direct expenditure vouchers (DEV), travel authorizations (TA), travel reimbursements (TRV), and educational foundation check authorization/requests, and

Since the majority of departmental site visits ended with positive outcomes and corrective action was taken by the others, we notified departments on June 12, 2006 of the Dean's decision to increase departmental spending approval authority to \$5,000 effective July 1, 2006. Shortly after this announcement, the University institutionalized new relaxed state procurement law changes. Based on these changes, the college will now increase departmental spending authority to \$10,000 effective September 1, 2006. Mr. Boyd Black in the Dean's Office will continue to review the following spending actions:

- Requests greater than \$10,000
- Reimbursements to direct reports to the Dean
- Membership dues regardless of the paying method or funding source
- Educational foundation requests for cash advances, purchase of alcohol for more than one event, door prizes for employee events, reimbursements for spouse meal expenses, reimbursement for new employee's relocation expenses

In September 2006, the College's financial affairs unit will start another round of rotating weekly site visits. We will continue to examine individual deposits, spending actions, and purchasing card transactions to ensure that appropriate documentation is on file. However, the focus of the FY07 visits will be on examining how departments track and reconcile these individual transactions against their authorized budget for the year. The FY07 visits will also examine departments' timeliness in recovering "A Fund" costs from grants, contracts, or other college fund sources. An outline of the FY07 weekly site visits will be discussed at the College's opening chairs / directors / business managers meetings scheduled for August 22 and 23, 2006.

The College is pleased to support this change as we believe it will help departments and programs serve their faculty and staff more efficiently. Thank you for your professionalism and commitment to the department and the College.