

Approvers' Responsibility Guidance

Document Type	Procedure
Document owner	James Sole, Deputy Finance Director
Approved by	Management Board
Approval date	08 June 2022
Review date	June 2023
Version	1.1
Amendments	Minor wording corrections
Related Policies & Procedures	Financial Regulations

1. PURPOSE AND OVERVIEW

- 1.1 This Approver Responsibility Guidance (“Guidance”) applies to all London School of Hygiene and Tropical Medicine (“LSHTM”) staff who are responsible for approving and authorising financial transactions (see examples below) and payments for LSHTM and its subsidiaries.
- 1.2 Adherence to the Guidance is both an individual and an organisational responsibility under LSHTM’s Financial Regulations. Wilful breach of this policy may constitute a disciplinary offence.
- 1.3 The purpose of this document is to explain the importance of approvers taking their responsibilities seriously, what it means when an item is being approved and what documentation is required.
- 1.4 This guidance is for approvals made through Agresso Workflow, but also applies to approvals of financial transactions via email/Word/PDF documents.

2. BACKGROUND AND CONTEXT

- 2.1 LSHTM has a responsibility to safeguard its assets and resources, to adhere to funder and donor regulations and to comply with internal policies.
- 2.2 Per LSHTM’s Financial Regulations: All members of staff should be aware of and have a general responsibility for the security of LSHTM’s assets, whether physical or financial, for avoiding loss and for due economy in the use of resources.
- 2.3 Staff may be responsible for approving various financial transactions, including, but not limited to:
 - 2.3.1 Invoices
 - 2.3.2 Requisitions
 - 2.3.3 Credit notes
 - 2.3.4 Sales invoices

- 2.3.5 Goods receipts
- 2.3.6 Inter-account transaction journals
- 2.3.7 Collaborator payments
- 2.3.8 Manual payments
- 2.3.9 Staff expenses
- 2.4 Some transactions will require approval in Agresso Workflow whilst others may be requested by email or on Service Desk
- 2.5 Staff can only engage once in the approval process – if they code an invoice, they should not also then approve it as that would be self-review. Similarly, they cannot approve their own expenses/credit card or an invoice they have submitted.

3. PROCEDURE

- 3.1 It is an approver's responsibility to review and approve transactions. By approving a transaction, the approver is authorising any spend associated with the transaction and the confirming the coding used. If there are any errors related to the transaction (for example an invoice is mis-coded or paid in error) it is the approver's responsibility to work with the relevant finance teams to resolve.
- 3.2 Approving a document/invoice/payment means that the approver is satisfied that the following is true:
 - 3.2.1 The invoice/document/supporting documentation is genuine,
 - 3.2.2 The values, dates, descriptions on the document are accurate,
 - 3.2.3 The details are in line with agreed budget/workplan/terms of reference,
 - 3.2.4 The expenditure is within the thresholds of our policies,
 - 3.2.5 The spend (if an invoice/payment request) is appropriate and in accordance with the School's relevant policies and has not been previously paid, and,
 - 3.2.6 The transaction has been coded correctly.
- 3.3 Not all of section 3.1 applies to all approvers or all financial transactions, however simply because someone is a second/third level approver, this does not remove their responsibility to ensure that the transaction is valid before they approve it.
 - 3.3.1 This applies both to substitute approvers when the initial approver is unavailable and also those who are later in the approval chain such as for high value or ROO transactions.
- 3.4 If an approver has any concerns/questions about the document they are approving or if they are not familiar with the transaction or its purpose, they should discuss this with the colleague and ask for further information or corrections if necessary.
- 3.5 The person submitting a transaction for approval should have provided the necessary supporting documentation – if the approver has not been provided with this, then they should ask for it and review prior to approving the transaction.

- 3.6 The approver is also responsible for ensuring they approve the financial transaction in a timely manner.
- 3.7 To help prevent delays to workflows, an approver needs to ensure they select an appropriate substitute on Agresso who will receive requests in their absence – this can easily be done through ServiceDesk. The approver is also responsible for ensuring they have provided sufficient guidance to their substitute on any requests that may be received.
- 3.8 If an approver moves off a particular project, they are also responsible for contacting the Project Administrator to update the list of project approvers and ensure any outstanding tasks are moved to the correct approver for review

Electronic Approvals

- 3.9 One of the challenges with the common methods of electronic approval (such as emails and electronic signatures in Word documents) is that they either don't provide a clear and reliable audit trail to the actual transaction being approved, and/or the details can be altered after approval.
- 3.10 To ensure that there is a suitable audit trail and to ensure that an approver's email/electronic signature cannot be misused, there are two suggested options:
 - 3.10.1 Prior to submitting a Word document for approval (e.g. manual payments form), the document must be saved as a PDF. The approver's signature(s) can then simply be inserted using the Adobe functionality. This significantly reduces the risk of the details in the document being changed after it has been approved.
 - 3.10.2 When sending an email to approve a transaction, it should be very explicit about what is being authorised. For example, the approver should write something like "I approve the transfer of £1,000,000 to the MRC Gambia Unit in respect of the capital income transfer request dated 1 June 2022." This provides a clear audit trail as to the transaction being approved.

4. AGRESSO

- 4.1 It is the responsibility of approvers to work with Project Administrators to ensure project approvers are correct (see 3.8 above).
- 4.2 All projects must have different individuals as Approver 1 and Approver 2 so that if one is unavailable Agresso can automatically escalate to the next person.
- 4.3 When going on leave, all approvers should select a substitute to ensure that transactions awaiting approval do not remain unprocessed in Workflow.

4.4 Substitutes can be selected by clicking on '*Activate your substitutes*':

