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**PROCUREMENT SERVICE CENTER**

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## **PSC Procedural Statement: Sensitive Expenses** <sup>[1]</sup>

Effective Date: 05/04/2016

### **Introduction**

All expenses of university funds must comply with the Administrative Policy Statement (APS) Propriety of Expenses.

This PSC Procedural Statement (PPS) sets forth university requirements for determining the propriety and maximum amounts of certain sensitive expenses. Definitions *Italicized terms* are defined in the Policy Glossary.

### **Procedural Statement**

In addition to meeting all Tests of Propriety and other requirements of the APS Propriety of Expenses, sensitive transactions must comply with the conditions outlined in the following table. Furthermore, the PSC has the right to request additional documentation or approvals for an expenditure when, in the opinion of the PSC, a specific expenditure warrants additional support.

### **Exceptions**

Unless approved by the Associate Vice President/University Controller, there are no exceptions to this procedural statement.

### **Related Administrative Policy Statements (APS), PSC Procedural Statements (PPS), and Other Policies**

APS and PPS, as appropriate for the specific items listed, are presented in the table of Procedures for Sensitive Items, below.

In addition ? for expenses whose propriety is difficult to determine because the benefit to the University is unclear or because specific individuals appear to personally benefit from the expense?refer to the APS Conflicts of Interest and Commitment.

## Procedures for Sensitive Items

Item Description	Allowability	Conditions
<b>Alcoholic Beverages Expenses</b>		
a. For official functions	Yes	<u>APS Alcoholic Beverages</u> <u>Purchased for University Events</u> [2] PPS Alcoholic Beverages Purchased for University Events
b. For donor cultivation, solicitation, and stewardship official functions	Yes	<u>APS Alcoholic Beverages</u> <u>Purchased for University Events</u> [2] PPS Alcoholic Beverages Purchased for University Events
c. For fundraising events	Yes	<u>APS Alcoholic Beverages</u> <u>Purchased for University Events</u> [2] PPS Alcoholic Beverages Purchased for University Events
d. For conferences hosted by CU	Yes	<u>APS Alcoholic Beverages</u> <u>Purchased for University Events</u> [2] PPS Alcoholic Beverages Purchased for University Events
e. For employees in travel status	No	Note, however, that official functions may occur in travel status, in which case official function procedures apply
f. For resale by a licensed establishment	Yes	
g. For research purposes and for purposes that do not include personal consumption (e.g., using alcohol as an ingredient in the preparation of food or for cleaning costumes)	Yes	
<b>Automobile - Related Expenses</b>		
a. University - owned vehicle expenses	Yes	<u>APS Operation of University Vehicles</u>
b. Commercial vehicle rental expenses or trip fares, or taxi/shuttle service	Yes	<u>PPS Travel</u> [3]
c. Private vehicle expenses	Yes	<u>PPS Travel</u> [3] (only mileage is reimbursable)
d. Insurance	Yes	<u>PPS Travel</u> [3]

Item Description	Allowability	Conditions
e. Moving or stationary vehicle violation tickets	No	
<b>Break Room Equipment Expenses</b>		
a. Basic equipment for taking meals or snacks within the workplace, such as simple refrigerators, microwaves, stoves, coffee pots, toasters, water filtration	Yes	
b. Equipment for employee entertainment, such as televisions, stereos, VCRs, DVD players	No	
<b>Conference Expenses</b>		
a. Costs of conferences hosted by CU	Yes	It is assumed that wherever possible, conference registration fees cover the cost of food, decorations, awards, and other needs of the conference
b. Costs of attendance at conferences hosted by other entities	Yes	<u>PPS Travel</u> [3]
<b>Donation Expenses</b> (donations to other entities including food, travel, and other expenses in support of the donation)	No	Unless waiver obtained as set forth in the <u>APS Donations</u> [4]
<b>Donor Cultivation, Solicitation, and Stewardship Expenses</b> Incurred to raise support for the University or University of Colorado Foundation	Yes	Requires use of advancement/development funds (Fund 36) If including what would otherwise be considered fundraising events, see Accounting Handbook Chapter Fundraising Events See also Fundraising Expenses, below
<b>Fetal Tissue (Human)</b>	Yes	Requires requisition in CU Marketplace regardless of dollar amount Requires purchase from authorized supplier - contact <u>purchasing agent for this commodity</u> [5] for additional assistance

**Item Description****Allowability Conditions****Flowers, Fruit Baskets, and Greeting Cards**

- |   |     |   |
|---|-----|---|
| a. For decorative purposes associated with an official function   | Yes |   |
| b. For expressing holiday, get-well, or congratulation wishes   | No  |   |
| c. For community relations (external) support/indications of goodwill or esteem, restricted to individuals or organizations who have, or may have, connections to the system or campus instructional, educational, research, or public service missions                             | Yes | Requires approval by the appropriate officer            |
| d. For donor cultivation, solicitation, and stewardship   | Yes | Requires use of advancement/development funds (Fund 36) |
| e. For expressing condolences upon the death of current students  | Yes | Requires approval by the appropriate officer            |
| f. For all major life events for the employee or immediate family member of the employee (Note that major life events, as considered by this procedural statement, are birth, death, and significant illnesses. Birthdays and minor illnesses?e.g., colds and flu?are not covered.) | Yes | Requires approval by the appropriate officer            |

**Food and Related Consumables**

- |   |     |  |
|---|-----|--|
| a. Food and related consumable items for the employee's personal consumption (not in travel status and not at official functions)   | No  |  |
| b. Consumable items necessary to maintain the cleanliness of employee break room, such as paper towels, dish detergent, and sponges.<br>Does not include items such as plates and silverware. | Yes |  |

Item Description	Allowability	Conditions
<p>c. Beverage service available in the general public area or reception area of an organizational unit hosted by a university employee who is either at/above the level of Chair/Director (prohibited in individual offices of university employees) or who is involved in donor cultivation, solicitation, and stewardship activities</p>	Yes	<p>Service must be intended for official guests of the University (i.e., non-employees) For donor cultivation, solicitation, and stewardship, requires use of advancement/development funds (Fund36)</p>
<p>d. Food for events</p>		
<p>i. For official functions?common types of events include:</p>	Yes	<p>For all these events, see <u>PPS Official Functions</u> [6]</p>
<p>--Community Relation Functions, External (directly related to University's instructional/research/public service mission);</p>	Yes	<p>APS Reimbursement for Work Done on Behalf of A University of Colorado Supporting Foundation</p>
<p>--Donor cultivation, solicitation, and stewardship official functions;</p>	Yes	<p>Requires use of advancement/development funds (Fund 36) See also Donor Cultivation, Solicitation, and Stewardship Expenses, above</p>
<p>--Employee Recognition/ Appreciation functions;</p>	Yes	<p>For recognition events, see also Recognition Expenses, below</p>
<p>--Goodwill functions (for official guests/ volunteers to indicate goodwill or esteem);</p>	Yes	
<p>--Recruitment functions (to enlist new employees, faculty, post-/pre-doctorates, student athletes, etc.);</p>	Yes	<p>For recruitment functions, see also Recruiting Costs for Prospective Employees/Students, below. Note that for student athletes, athletic policies also apply</p>
<p>--Training functions;</p>	Yes	<p>For training functions, see also Training Expenses, below</p>
<p>--Multi-campus or multi-unit (i.e., not reporting to the same officer) events;</p>	Yes	<p>For multi-unit or multi-campus events, the participating units may not report to the same officer, and the events may not occur more often than monthly. (Appropriate vice chancellor can approve single-unit meetings or meetings more frequent than monthly.)</p>

Item Description	Allowability	Conditions
--Student educational development functions	Yes	
ii. Student residential life activities/functions	Yes	
iii. Conferences	Yes	See Conference Expenses, above
iv. Fundraising events	Yes	See also Fundraising Expenses, below
e. Meals for employees in travel status	Yes	<u>PPS Travel</u> [3]
<b>Fundraising Expenses:</b> Incurred to raise support for the University	Yes	<u>Accounting Handbook Chapter Fundraising Events</u> [7] See also Donor Cultivation, Solicitation, and Stewardship Expenses, above
<b>Gifts or Tokens</b>		
a. For employees, associates, and other individuals (including students), in the form of cash or non-cash items	Yes	<u>PPS Recognition and Training</u> [8] See Recognition Expenses, below
b. For supporting organizations as an indication of goodwill or esteem or event-related advertisement		
i. Cash (given as a donation)	No	See Donations, above
ii. Non-cash	Yes	<u>PPS Recognition and Training</u> [8] See Donor Cultivation, Solicitation, and Stewardship, above
c. For donor cultivation, solicitation, and stewardship		Requires use of advancement/development funds (Fund 36)
d. For employee recruitment		See Recruiting Costs for Prospective Employees/Students, below
<b>Internet Connections from a Personal Location</b>	No	Unless approved on a temporary basis by the appropriate Vice President or Vice Chancellor of Finance or her/his designee
<b>License Fees, Memberships, or Dues</b>	Yes	<u>APS License and Certification Fees, Memberships, or Dues</u> [9]
<b>Moving Expense Reimbursement (includes House Hunting Expenses)</b>	Yes	<u>Employee Services (ES) Procedures Guide, section on Moving (Relocation)</u> [10]

Item Description	Allowability	Conditions
<b>Parking</b>		
a. Fees paid by employee at a primary work location	No	
b. Tickets (received either on or off campus)	No	
c. Fees associated with an employee in travel status	Yes	<u>PPS Travel</u> [3]
d. Rate-based parking paid by employee at a secondary work location	Yes	Must define primary work location
e. Prepaid parking or meter keys not purchased directly from the University	No	
f. Prepaid university parking permits or meter keys	Yes	For organizational unit use related to secondary work location parking incurred by employees or for official visitors where there is a contractual obligation. Organizational unit must maintain logs (or equivalent thereof) to demonstrate use.
<b>Passports</b>		
(to include fees for passport photos, costs of birth/health/identity certificates, and charges for inoculations)	Yes	See conditions for Visas, Green Cards, and/or Immigration Fees for entry into U.S. and for Visas for exiting U.S., below
<b>Political Expenses</b>		
(cash or in-kind contributions to campaigns involving the nomination, retention, or election of any person to any public office, or to urge voters to vote in favor of or against a ballot initiative)	No	<u>APS Federal Lobbying Activities</u> [11] <u>APS State Lobbying Activities</u> [12]
<b>Recognition Expenses</b>		
a. Awards, rewards, and prizes	Yes	<u>PPS Recognition and Training</u> [8]
b. Staff Appreciation Meals (where the approved meal is the award and no separate awards are being given)	Yes	<u>PPS Recognition and Training</u> [8] <u>PPS Official Functions</u> [6]
c. <b>Recognition Events</b>	Yes	<u>PPS Recognition and Training</u> [8] <u>PPS Official Functions</u> [6] For related Gifts see Flowers, Fruit Baskets, and Greeting Cards and Gifts or Tokens, above

Item Description	Allowability	Conditions
<b>Recruiting Costs for Prospective Employees/Students</b>	Yes	<p>Activities must be directly related to work position/field of study/ reason for recruitment (exceptions may be authorized by the appropriate officer)</p> <p>For student athletes, athletic policies also apply</p> <p>Reimbursements for the immediate family member(s) of the recruit must be approved by the appropriate officer</p> <p><u>PPS Travel</u> [3]</p> <p><u>PPS Official Functions</u> [6]</p>
<b>Reimbursements</b>	Yes	As restricted by <u>PPS Travel</u> [3]
<b>Retirement Parties</b>	Yes	<p><u>PPS Recognition and Training</u> [8]</p> <p><u>PPS Official Functions</u> [6]</p> <p>See Recognition Expenses, above</p>
<b>Student Recruitment Host Per Diems</b>	Yes	<p>\$30 per diem is allowed to student hosts to cover costs associated with official recruiting visits for potential students (no receipts required)</p> <p>Requires fully executed agreement between student host and organizational unit, detailing responsibilities/activity dates</p> <p>For student athletes, athletic policies also apply</p>
<b>Tickets to events</b>		
a. Admission tickets to event, purchased by the University	Yes	<p><u>PPS Official Functions</u> [6]</p> <p><u>APS Donations</u> [4]</p>
b. Complimentary tickets to university events (provided by the University)	Yes	<p><u>PPS Complimentary Tickets</u> [13]</p> <p>For tickets given as donor cultivation, solicitation, and stewardship, see those expenses, above ? requires use of advancement/development funds (Fund 36)</p>
<b>Tips</b>	Yes	<p>Reasonable tips are allowed (up to a maximum of 20% of actual cost of service or good)</p> <p>For tips in travel status, see <u>PPS Travel</u> [3]</p>
<b>Training Expenses</b>		



Item Description	Allowability	Conditions
a. Functions or activities that are directly related to university work tasks and their related costs, such as team - building exercises focused on the workplace, and supplies/materials	Yes	<p>Training function must have a written agenda  Subject matter/focus of activities must be directly related to work environment/work tasks  <u>PPS Recognition and Training</u> [8]  <u>PPS Official Functions</u> [6]</p>
b. Non-work-related activities and their related costs, such as sporting league registrations/fees and team uniforms	No	
<p><b>Uniforms and Work Clothes</b> (e.g., provided by campus police or facilities management office for use at work, or by organizational unit for use at a conference or other event</p>	Yes	<p>Reported as wages to the employee unless employee is required to wear the uniform while conducting official university business for the organizational unit, and the uniform is not suitable for everyday wear.  Note: Uniforms resembling everyday wear will not be reported as wages if the individual value is less than \$75 or if the organizational unit prohibits the employee from wearing the uniform for personal use</p>
<p><b>Visas, Green Cards, and/or Immigration Fees for entry into U.S.</b></p>		
<p>a. Fees for permits/documents as required by students, scholars, researchers, or employees in order to conduct necessary university study/work and where there is a direct employment requirement by the U.S. Department of Homeland Security to obtain the permit/document (to include fees for passport/visa photos, foreign country exit fees, costs of birth/health/ identity certificates, charges for inoculations...not to include ancillary costs such as medical exams)</p>	Yes	<p>All documents must be approved by the campus international student and scholar services office</p>

Item Description	Allowability	Conditions
<p>b. Fees for permits/documents required for immediate family members of students, scholars, researchers, or employees</p>		<p><u>Employee Services (ES) Procedures Guide, section on Moving (Relocation)</u> <sup>[10]</sup>            Must be approved by the appropriate officer            All documents must be approved by the campus international student and scholar services office.</p> <p>Ancillary costs included only if required as a condition of passport, visa, and/or sponsored research and such examination could not be obtained at a university facility.</p>
<p><b>Visas for exiting U.S.</b> (includes fees for visa photos, costs of birth/health/identity certificates, and charges for inoculations)</p>	<p>Yes</p>	<p>Transportation costs to passport/visa-issuing office included only if employee traveler's presence at that office is required and the office is outside employee's primary work location area</p> <p><u>PPS Travel</u> <sup>[3]</sup></p>

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