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Clone TEMP of Finance Procedural Statement: Business Expenses [1]

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Finance Procedural Statement: Business Expenses 10.10.26 revised draft

Purpose

This procedural statement sets forth University requirements and guidance applicable to common business expenses.

As a general rule, the conditions in this policy statement govern any use of University funds regardless of funding source (e.g., state appropriation, gift, start-up, sponsored project – this is not an all-inclusive list).
If University funds are used in whole or in part to purchase an item, then this item is considered to be University property. In the case of some sponsored project purchases, the sponsor may retain ownership of the item; consult with your grant accountant.

Considerations

All expenditures of University funds, regardless of source, must comply with the Tests of Propriety and other requirements found in the Administrative Policy Statement (APS) 4015-Propriety of Expenses. If you cannot answer Yes to all eight of the following Tests of Propriety, then the transaction is not an appropriate use of University funds.

Is the transaction:

For official University business?
In the best interests of the University?
The most effective way to accomplish official University business?
Meaning that, without the expenses, would programmatic objectives be difficult or otherwise more costly to achieve? Or would the impact, level, or quality of the achievement be reduced?
In compliance with applicable policies, laws, regulations, and rules; and contracts, grants, and donor restrictions, including having the required approvals and authorizations by the appropriate fiscal role?
Within the available resources of the responsibility unit, taking into consideration all outstanding commitments and encumbrances?
Directly beneficial to the responsibility unit where it is being charged?
Reasonable?
Meaning that the quantity and quality of goods or services being purchased is sufficient to

meet the University's identified need without exceeding it.
In compliance with University conflict of interest provisions?
Meaning that, if an employee derives private gain, or appears to derive private gain, as a result of the transaction, then the transaction violates the conflict of interest provisions stated in regent law, regent policy, and in APS 5012- Conflicts of Interest and Commitment in Research and Teaching.

Evaluating the propriety of University expenses requires the exercise of a high degree of judgment and discernment. Therefore, consider the following when deciding whether or not a particular transaction is a proper use of University funds:

"Would a University outsider - such as your dentist, a teacher at the local elementary school, the clerk at your grocery store, or your neighbor – consider the expenditure to be a reasonable and necessary expense of public funds?"
"Would you want others – such as newspaper, radio, television, or other media outlets – knowing and reporting about what you have decided?"

Think about whether an outsider, such as the general public or an auditor, would consider the expenditure a reasonable expense for University business and an appropriate use of University funds.

Approval Requirements

Appropriate approval/s must be obtained prior to incurring the expense.

The department approver is responsible for ensuring compliance with policy requirements, including appropriateness of expense, clear business purpose, submission of receipts/forms/documentation, and approval by additional authorities, as specified in policy or as requested. Purchases over $5,000 and purchases of designated items may involve additional approval requirements.

Substantiation and Tax Implications

Business Expense Substantiation & Tax Implications requirements apply to employee expenses reconciled in the Concur Travel & Expense System (Procurement Card/Travel Card/Airfare Card transactions and employee reimbursements). To avoid tax implications, the employee must document and submit the expense report within 90 days of the date the related trip ends, or within 90 days of the date the expense was incurred (if non-travel).

Exception Statement

Campuses/organizational units may choose to adopt more restrictive limits than provided

throughout this policy. Please refer to specific campus/org unit practices or limits for exact circumstances.

Unless approved by the appropriate campus controller, there are no exceptions to this procedural statement.

As noted on the OUC's Campus Controllers' (Finance) Offices webpage, the designated campus contacts are:

CU Boulder: fiscalcompliance@colorado.edu [2]
CU Denver | CU Anschutz: FS-Compliance@ucdenver.edu [3]
UCCS: Xochil Herrera
CU System: FSS@cu.edu [4]

Expense Type/Account Code Guidance

The Expense Types/Account Codes identified in this document are considered best practice applications. In many cases, using these categorizations is essential to ensuring that finance policies are enforced.

Expense Types are used in the Concur Travel & Expense System as predefined categories to map each expense to the correct General Ledger Account Code for financial reporting, support finance policy compliance (certain expense types require additional documentation or have specific approval workflow requirements), ensure compliance with CU's accountable plan (by capturing business purpose and required documentation), and reconcile charges from commercial cards, cash advances, and travel/non-travel reimbursements.
Account Codes are used in the PeopleSoft Finance System (the University's system of record) to describe the type of transaction (e.g., as an expense, or cost incurred to obtain specific needed goods or services).

Matrix of Business Expenses

The following matrix provides guidance related to common business expenses.

Alcoholic Beverages

The provision of alcoholic beverages is allowable at official function events when such beverages are customary and reasonable considering the facts and circumstances of the event. When alcohol is included, non-alcoholic beverages and food must also be served. Storage of alcoholic beverages will be in secured locations. When possible, excess alcohol

from events should be returned to the vendor for credit. Questions on event close-out should be addressed to the appropriate campus controller’s office fiscal compliance team.

Documentation and approval requirements follow the requirements listed under Official Function Meals, below, in addition to alcohol-specific requirements, including the use of specific funds/account codes and following University Risk Management and campus-specific alcohol procedures:

CU Boulder: Alcohol Service on Campus | Compliance, Ethics and Policy | University of Colorado Boulder (for events on campus see that policy), Alcohol flowchart 20180314.pdf

What about Events with Alcohol | Events Planning & Catering | University of Colorado Boulder

CU Denver | CU Anschutz: Events with Alcohol
UCCS: 100-003 Service and Use of Alcohol on Campus, Alcohol Authorization

Type of Expense

Expense Type/Account Code

Description

Allowability

Recruitment Meal

See Recruiting Costs for Prospective Employees/Students, below.

Student Function Meal

In general, these events are expected not to include alcohol.

No

Donor Cultivation, Solicitation, and Stewardship Event

Official Function with Alcohol (550102)

Centered around past or future donors; these may or may not involve a donation solicitation

but do not meet the definition of a Fundraising Event.

Alcohol expense typically requires use of development funds (Fund 36), or use of gift funds (Fund 34 SpeedTypes with a Gift Purpose Code 2 of Y, designating that the SpeedType is restricted for purposes including entertainment, donor cultivation, or personnel recruitment).

The Official Function form must be completed.

Requires campus Advancement alcohol approval for Advancement organizational units.
Also requires campus alcohol approval if non-Advancement organizational unit uses Fund 36.
Requires officer approval at designated thresholds (total food/beverage cost over $10,000, or per-person food/beverage cost over $125/person pre-tax/tip/fees -- it is expected that, as stewards of university resources, employees continue to stay well below this per-person threshold).

Yes

Fundraising Event

Fundraising Event with Alcohol (550102)

Alcohol expense requires use of gift funds: Fund 34 SpeedTypes with a Gift Purpose Code 2 of Y, designating that the SpeedType is restricted for purposes including entertainment, donor cultivation, or personnel recruitment. In addition, the gift fund must have a Gift Purpose Code 1 of SE, designating a fundraising event. Advancement/ development funds (Fund 36) may also be used.

The Fundraising Authorization form must be completed.

Campus alcohol approval required.
Officer approval for per-person or total thresholds is not applicable.

For more information about Fundraising Events, see that section of Official Function Meals/Events, below.

Yes

CU-Hosted Conference

Conference With Alcohol-CU Hosted (550200)

Alcohol expense requires use of conference revenue: Fund 20 or 29 SpeedTypes. May also use gift funds: Fund 34 SpeedTypes with a Gift Purpose Code 2 of Y, designating that the SpeedType is restricted for purposes including entertainment, donor cultivation, or personnel recruitment. May also use Sponsorships from external entities.

The Official Function form (Conference section only) must be completed.

Campus alcohol approval required.
Officer approval for per-person or total thresholds is not applicable.

For more information about CU-Hosted Conferences, see that section of Official Function Meals/Events, below.

Yes

Donation of Alcohol for Meal/Event

Alcohol expense is not being covered by University funds.

Campus alcohol/risk management procedures must still be followed.

If alcohol is donated, Gifts-in-Kind procedures may apply. Consult with the appropriate campus controller's office contact:

CU Boulder: campus.accounting@colorado.edu [5]
CU Denver | CU Anschutz: FS-Compliance@ucdenver.edu [3]
UCCS: Xochil Herrera
CU System: FSS@cu.edu [4]

Yes

See Accounting Handbook Gifts-in-Kind

Alcohol for resale by licensed establishment

For service at a licensed University location.

Yes

Alcohol for non-consumption purposes

Operating Supplies (552601)

For research purposes and for other purposes that do not include personal consumption (e.g., using alcohol as an ingredient in the preparation of food or for cleaning costumes).

Yes

Awards, Rewards, and Prizes (see also Flowers, Gifts, and Tokens … and Gift Cards, below)

Type of Expense

Expense Type/Account Code

Description

Allowability

For staff appreciation, individual/team recognition, or to promote participation in CU events.

Recognition Awards Employees (550106)

Recognition Cash Awards Non-Employees (550101)

Recognition Awards Non-Employees (550105)

Participant Prizes (550108)

Cash, cash-like (gift card), or non-cash items (flowers, gifts) for employees, associates, students, and other individuals.

CU-branded items are recommended (e.g., pens or notebooks, coffee cups, apparel). Gift

cards are allowable.

Not for general or personal “thank-you” purposes.

For employees: A Recognition Program Authorization form is required to issue cash/cash-like awards in any amount or to issue non-cash awards over $100.

Cash awards are processed through Employee Services (Additional Pay Form). Gift cards in any dollar amount and non-cash items over $100 are tax reportable to Employee Services (Recognition Reporting form). Exception: Retirement gifts (which are limited to $400) are not reportable if they are non-cash.

For non-employees: A Recognition Program Authorization form is required to issue cash in any amount or to issue cash-like/non-cash awards over $100. Cash awards are processed through the Procurement Service Center (Payment Authorization form). Gift card amounts over $700 and non-cash items valued over $700 are reportable to the Procurement Service Center (Payment Reporting form).

Yes

See Recognition Grid for additional details on recognition programs, reporting forms, tax reportability, and other requirements.

See campus gift card procedures, under Gift Cards, below, for guidance on gift cards to CU entities (dining, wellness, etc.) or external vendors.

Break Room Supplies/Equipment

Type of Expense

Expense Type/Account Code

Description

Allowability

Basic equipment and supplies

Operating Supplies (552601)

For food preparation/storage within the workplace (e.g., coffee pots, toasters, refrigerators, microwaves, stoves, water filtration).

For hygienic/cleaning purposes (e.g., paper towels, detergent, sponges).

Must be in common area available for use by all employees: not allowable in individual offices.

No consumables by employees beyond sanitation purposes (e.g., does not include plates, silverware.)

Yes

No

Beverage service/snacks

Operating Supplies (552601)

Available in the general public/reception area of an organizational unit, hosted by a university employee who is at/above the level of Chair/Director

Service must be intended for non-employees (e.g., official guests, students).

Not allowable in personal offices.

Yes

Equipment for employee entertainment (e.g., TVs, DVD/Blu-ray players)

No

Cell Phone/Service

Type of Expense

Expense Type/Account Code

Description

Allowability

Wireless telecommunications use or reimbursement of use

Cellular Phones (482609)

Telecommunication Services (482602)

Telecommunication Supplies (482601)

See Finance Procedural Statement (FPS) Personal Technology & Telecommunications.

Dependent Care

Type of Expense

Description

Allowability

Childcare, adult care, pet care

Services for dependent children or elders or dependents of any age.

Services that provide safety and well-being for household pets.

No

Donations and Sponsorships

Type of Expense

Expense Type/Account Code

Description

Allowability

Donations (cash or in-kind) or Sponsorships provided by the University

Donations (547600)

External Relations and Sponsorship Function (547700)

Donations include cash, supplies, equipment, food, travel, staff time and resources, and other items.

As a general rule, donations to other CU entities or to non-CU entities are not an allowable University expense. Organizational units may request a waiver to provide a donation, in accordance with Administrative Policy Statement (APS) Donations.

Sponsorships of external entities (University funds given to an organization in exchange for recognition, table at an event, event admission, public acknowledgment, etc.) may be allowed in accordance with the above APS.

If approved, the donation/sponsorship must be paid directly to the entity: reimbursement is not allowed.

Campus-specific restrictions also apply:

CU Boulder: Donations - campus.accounting@colorado.edu [5] / Sponsorships - salestax@colorado.edu [6]
CU Denver | CU Anschutz: www.cuanschutz.edu/offices/fiscal-compliance/resources/sponsorships---do... [7]
UCCS: acctfinc@uccs.edu [8]
CU System: FSS@cu.edu [4]

No

Unless waiver obtained

Sponsorships received by the University from an external entity

See Accounting Handbook Sponsorships

Family Members

Family member participation in official function events should be limited to those appropriate,

e.g., employee's spouse or domestic/civil union partner.

Type of Event

Description

Allowability

Employee Appreciation (Staff/General Team)

An appreciation event expresses a general thank-you to employees for their contributions, with an underlying goal of improving morale. Examples may include team-building or other recreational activities, and end-of-year or return-to-campus events.

University funds should not ordinarily be used to pay costs associated with the attendance of family members or other personal guests at employee appreciation events.

For unique circumstances where family member attendance is deemed essential, where costs are limited and reasonable, and where general funds will not be used: consult with the appropriate campus controller's office fiscal compliance team for possible approval. As noted on the OUC's Campus Controllers' (Finance) Offices webpage, the designated campus contacts are:

CU Boulder: fiscalcompliance@colorado.edu [2]
CU Denver | CU Anschutz: FS-Compliance@ucdenver.edu [3]
UCCS: Xochil Herrera
CU System: FSS@cu.edu [4]

No

Employee Recognition (Award) or Retirement

A recognition event honors an employee or a group of employees for a specific achievement

or milestone. Examples may include retirement, receipt of an award, or years-of-service recognition.

Employee recognition (award) and retirement functions may include the spouse or domestic partner of the individual(s) being honored and, in certain circumstances, a limited number of their other family members.

Yes

External/Fundraising Functions

Participation by family members who are serving in an official capacity (representing the University) is appropriate.

Yes

Recruitment Dinners

Employee Recruits – Participation by the spouse/partner of a recruit may be appropriate. Family member participation is allowable depending on level of recruit (President/Chancellor, Provost, Vice President/Vice Chancellor, Dean, Department Chair).

Student Recruits – Participation by parents/family members of both recruit and current students may be appropriate.

Student Athlete Recruits – Additional restrictions as appropriate and in compliance with NCAA requirements.

Yes

Yes

Yes

Traveling on official university business

See Procurement Service Center Travel procedures.

Yes, per PSC procedures

Fetal Tissue

Type of Expense

Description

Allowability

Human Fetal Tissue

Requires requisition in CU Marketplace regardless of dollar amount. Requires purchase from authorized supplier.

Contact PSC purchasing agent for this commodity.

See CU Anschutz policy on Conducting Human Fetal Tissue Research.

Yes

Flowers, Gifts, and Tokens (see also Awards, Rewards, and Prizes, above; Gift Cards, below)

Type of Expense

Expense Type/Account Code

Description

Allowability

For decorative purposes associated with an official function

Non-Food Official Functions (550100)

Table centerpieces and other related displays/uses.

Yes

For expressing birthday or any type of holiday, congratulations, or get-well wishes

No

For major life events for the employee or immediate family member of the employee.

For Employee (Flowers etc) (550106)

For expressing condolences upon the death of current students

For Student (Flowers etc) (550108)

Major life events are significant illnesses, death, and birth.

(Major life events do not include wedding showers, baby showers, celebrations of employee graduations, birthdays, etc.)

Immediate family is a spouse, domestic partner, civil union partner, child, or parent.

There may be department-/campus-specific guidance regarding dollar limits and other issues related to sending flowers – refer to the appropriate campus controller's office fiscal compliance team.

As noted on the OUC's Campus Controllers' (Finance) Offices webpage, the designated campus contacts are:

CU Boulder: fiscalcompliance@colorado.edu [2]
CU Denver | CU Anschutz: FS-Compliance@ucdenver.edu [3]

UCCS: Xochil Herrera
CU System: FSS@cu.edu [4]

Yes

Yes

For donor cultivation, solicitation, and stewardship

For Non-Employee/Non-Student (Flowers etc) (550108)

Requires use of advancement/development funds (Fund 36), or use of gift funds (Fund 34 SpeedTypes with a Gift Purpose Code 2 of Y, designating that the SpeedType is restricted for purposes including entertainment, donor cultivation, or personnel recruitment).

Donor/s should be specifically identified.

Yes

For external community relations, to express goodwill or esteem

For Non-Employee/Non-Student (Flowers etc) (550108)

Restricted to individuals or organizations with connections to CU instructional, educational, research, or public service missions.

Yes

For staff appreciation, individual/team recognition, or to promote participation in CU events.

Recognition Awards Employees (550106)

Recognition Awards Non-Employees (550105)

Participant Prizes (550108)

Cash, cash-like (gift card), or non-cash items or employees, associates, students, and other individuals.

Not for general or personal thank-you purposes.

CU-branded items are recommended (e.g., pens or notebooks, coffee cups, apparel). Gift cards are allowable.

Yes

See Recognition Grid for additional details on recognition programs, reporting forms, tax reportability, and other requirements.

For employee/student recruitment

See Recruiting Costs for Prospective Employees/Students, below.

Gift Cards (see also Flowers, Gifts, and Tokens, above; Awards, Rewards, and Prizes, above)

Type of Expense

Expense Type/Account Code

Description

Allowability

Gift cards and certificates

Study Subjects (495102)

Recognition Awards Employees (550106)

Recognition Awards Non-Employees (550105)

Participant Prizes (550108)

Cash-like instruments most commonly used for study subject compensation, survey incentives, recognition, and honoraria.

Also used to pay external entities for sports professionals who officiate games.

Not used for student academic awards (scholarship/classroom-related payments) – these must be processed through the campus financial aid office for determination of impact on financial aid eligibility and tracked by the campus bursar’s office for tax reporting purposes.

Not used for payments/awards to non-U.S. persons – these must be processed via the appropriate mechanism (e.g., Study Subject Payment form, Payment Authorization form) to ensure international tax team review.

See campus-specific policies:

CU Boulder: Gift Cards | Campus Controller's Office | University of Colorado Boulder

CU Denver | CU Anschutz: https://www.cuanschutz.edu/offices/fiscal-compliance/resources/gift-cards [9]
UCCS: https://vcaf.uccs.edu/units/controllers-office/gift-cards [10]
CU System: Gift Cards

Yes

See Recognition Grid for additional details on recognition programs, reporting forms, tax reportability, and other requirements.

Gift cards to CU entities (dining, wellness, etc.) and external vendors must be tracked per campus-specific policies.

Licenses and Certifications

Type of Expense

Expense Type/Account Code

Description

Allowability

Licenses, Certifications

License and Certification Fees (510300)

Licenses are legally required credentials that permit individuals to practice specific professions or perform specific activities. Certifications are voluntary credentials that demonstrate specific skills or knowledge.

University funds may not be used for a license or certification that does not benefit the University and is solely for the professional development or advancement of an employee. In addition, the following conditions must be met:

The license is identified as required for the individual’s current University position/employment.
The certification is identified as required or beneficial for the individual’s current University position/employment.
There is a reasonable expectation that the license or certification will be used solely for the purpose of providing services to the University, and not for providing services to others for a fee or other compensation.

Yes

Yes

For additional procedural guidance, see Accounting Handbook Fundraising Events.

Memberships and Dues

Type of Expense

Expense Type/Account Code

Description

Allowability

University-wide or Campus-wide Memberships

Dues and Memberships - Civic Organizations (510200)

Dues and Memberships - Prof Organizations (510100)

These reflect broad interests and would normally be held in the name of the University or in the name of the campus as opposed to in the name of an individual.

To reduce the likelihood of redundant expenditures, such memberships must be approved by the Vice President of Finance/delegate (University-wide) or Vice Chancellor of Finance/delegate (campus-wide).

Examples of such memberships include NACUBO, COGR, Educause.

Yes

Organizational Unit Memberships

Dues and Memberships - Civic Organizations (510200)

Dues and Memberships - Prof Organizations (510100)

These are of unique interest to individual departments of a University campus.

Examples include NAEP.

Yes

Individual Memberships

Dues and Memberships - Civic Organizations (510200)

Dues and Memberships - Prof Organizations (510100)

These are of particular interest to the research/focus of the individual employee.

Examples include IALLT, ASTS, NCURA.

Yes

Political Action Committees related to memberships/dues payments

In some instances, societies, associations, or similar organizations may establish separate Political Action Committees (PACs) to attempt to influence legislation of interest to the organizations. Voluntary PAC contribution:

As part of the membership or dues application, a voluntary contribution to the PAC is frequently requested. Under no circumstances will University funds be used for a voluntary contribution to a PAC.

Non-voluntary PAC contribution:

When a separate PAC does not exist, organizations are required to estimate (make an assumption or educated guess about) the amount of each base membership that is used for lobbying expenses. The estimate frequently is printed on the bottom of the invoice for membership dues. As long as the portion of the base membership related to lobbying expenses is not voluntary (i.e., the University must pay the full base membership to be a member) then it is permissible to use University funds to pay for the full base membership. If the portion of the base membership related to lobbying expenses is voluntary, then only the portion of the membership related to non-lobbying expenses can be paid with University funds.

No

Yes

Donations related to memberships/dues payments

In some cases, a portion of the fees for memberships or dues may be the equivalent of a donation to the organization. If the donation portion is voluntary, then the donation portion must be excluded from the memberships/dues fees paid with University funds, unless the specific donation has been approved in accordance with the APS Donations.

No

Unless waiver (if voluntary) or unless not voluntary

Moving Expenses

Type of Expense

Expense Type/Account Code

Description

Allowability

Professional relocation services

Moving and Storage Services (540102)

Moving Services Expenses: To handle tax reporting on employee moving company payments, see Procurement Service Center How to Buy Storage and Moving Services procedures.

Moving Expense Reimbursements: To handle tax reporting on employee house-hunting trips and moving reimbursements, see Employee Services Moving procedures.

Moving Offices or Labs: For transportation of lab equipment, office furniture, and related University-owned items, contact campus Facilities department.

Yes

If approved, these are taxable to the employee

Employee-related expenses are not processed as reimbursement

Office Decor

Type of Expense

Expense Type/Account Code

Description

Allowability

Plants, artwork, and related decorative items

Operating Supplies (552601)

Allowable in common areas; not allowable in personal offices.

Yes

Official Function Meals/Events

An official function is a meeting, meal, or other event that is hosted by an organizational unit, attended by multiple guests/employees, and held for official University business. When food/beverage is included as part of an official function:

The food/beverage expense must be necessary (considered integral to the objectives of the event).
The food/beverage expense must be reasonable (generally, meal costs should be comparable to state per diem meal rates).
Requires officer approval at designated thresholds (over $125/person pre-tax/tip/fees or over $10,000 total). It is expected that, as stewards of university resources, employees should stay well below this threshold. Exception: Officer per-person approval is not applicable to Fundraising Events or CU-Hosted Conferences.
The purchase must comply with official function documentation and approval requirements.

For the most part, official function meal expense documentation/approval is completed in the Concur Travel & Expense System (Procurement Card/Travel Card transactions and reimbursements) or in CU Marketplace for purchase orders (POs). The standalone Official Function form is required if a PO is being used for an official function meal and that meal requires officer approval per the thresholds identified.

Campuses/departments may establish expanded requirements for use of the Official Function form.
If an event with food/beverage has an admission/registration fee (e.g., fundraising events, CU-hosted conferences), the food/beverage is considered to be resold by the University and therefore is not tax exempt. The organizational unit must notify the caterer/provider and ensure that sales tax is included in the invoice.

The following documentation must be provided for all official function food/beverage expenses:

Business purpose of event
Date/s of event
Location of event
Description of items being purchased
List of names or description of attendees and their relationship to the University
Itemized receipt and proof of payment

Approval by the organizational unit is always required. In addition:

If the total cost of food/beverage, including tax/tip/fees, exceeds $10,000: approval by the appropriate officer is also required.
If the per-person cost of food/beverage exceeds $125 pre-tax/tip/fees, regardless of total cost: approval by the appropriate officer is also required (it is expected that, as stewards of University resources, employees stay well below this threshold).

Type of Expense

Expense Type/Account Code

Description

Allowability

General Events

When considering activities (whether on-campus or off-campus), follow Event and Activity Planning guidance from University Risk Management: https://www.cu.edu/risk/event-activity-planning-0 [11] .

Employee Retirement

Official Function (550100)

Held to acknowledge individuals for their retirement from CU.

Retirement functions may include a limited number of family members for the individual/s being honored.

Yes

Employee Departure (not Retirement)

Any meal provided as a going-away event to acknowledge an employee's move to another CU/non-CU office (excluding their retirement from CU)

No

Employee Length of Service, Recognition, or Appreciation

Official Function (550100)

Length of service events are held to acknowledge individuals for their years of service (in periods of at least five years).

Recognition events are held to honor individuals for exceptional performance. Recognition functions may include a limited number of family members for the individual/s being honored. See also Family Member Participation.

Staff appreciation, including team-building, events are infrequent official functions hosted and attended by the head of an organizational unit for the purpose of showing appreciation to staff members for their work generally or specifically on a certain project. Generally, such events should be associated with a specific performance trigger and would not be expected to occur more often than quarterly. See also Family Member Participation.

Yes

Recruitment

See Recruiting Costs for Prospective Employees/Students, below.

Yes

External Function

Official Function (550100)

Hosted for community leaders, prominent visitors, legislators, leaders of educational/research programs.

Note that University expenses (contributions) related to functions hosted by external entities are considered donations/sponsorships as opposed to "CU-hosted" official functions.

Yes

Student Function

Student Functions (550300)

Hosted for students and directly related to student/educational development. The majority of attendees at these events must be students. Such events might involve:

Functions for graduating classes and their parents
Functions that are sponsored by the Office of Student Affairs
Functions for the purpose of recognizing or promoting academic and leadership achievement, athletic achievement, scholarship, or service
Functions that promote and create campus community and engagement

Not allowable: Food for distribution in class; professor/student meals or coffee.

Food for distribution in class is typically not an allowable expense unless the food is required for the class for research or instructional purposes.

If the instructor believes that food would create a more engaging experience – e.g., by sharing popcorn during a film class – the instructor can pay for the food items personally. This would not be reimbursable.

Professor/student meals or coffee (whether during class or outside of class) are not an allowable expense.

Yes

Training Function/Formal Training Session

Official Function - Training (550400)

or

Official Function (550100)-training

Structured, organized learning program designed to impart specific knowledge, skills, or competencies to individuals. These functions have a predetermined agenda and training objectives and are led by a presenter who is external to the unit. Agenda must be attached to

the expense and attendees/presenter(s) must be identified.

Yes

Donor Cultivation, Solicitation, and Stewardship

Official Function (550100)

Centered around past or future donors and that may or may not involve a donation solicitation.

Yes

Fundraising Event

Fundraising Event (550100)

Event at which a required monetary payment to attend or participate includes both a gift component (charitable contribution) and a non-gift component (goods/services are provided to attendees). Examples include the collection of gifts or money through sale or auction, collection of registration or sponsorship fees with a promise of a tax deduction.

Requires use of gift funds: Fund 34 SpeedTypes with a Gift Purpose Code 1 of SE, designating a fundraising event. Advancement/ development funds (Fund 36) may also be used.

Requires Fundraising Authorization form instead of Official Function form. Officer approval for per-person or total thresholds is not applicable.

For additional procedural guidance, see Accounting Handbook Fundraising Events.

Yes

CU-hosted conference

(and other CU-sponsored events, other than Fundraising Events, where an entrance fee is charged)

Conference - CU Hosted (550200)

Auxiliary activity to conduct a formal meeting of a number of people, primarily other than employees or associates, for discussion or consultation on a serious and identified topic, where admission is charged to those attending.

Unlike the admission fee for a fundraising event, the admission fee for a conference is not intended to be tax-deductible, either in total or in part.

Expenses shall generally be covered using auxiliary funds (Fund 20 or Fund 29 SpeedTypes) received through conference/event registration fees. May also use gift funds (Fund 34 SpeedTypes with a Gift Purpose Code 2 of Y, designating that the SpeedType is restricted for purposes including entertainment, donor cultivation, or personnel recruitment). May also use Sponsorships from external entities.

Yes

Internal Business Meetings:

Business Meals and Light Snacks/Refreshments

If allowable:

Official Function (550100)

Food/beverage is not typically allowable at normal workday functions/routine business operations, such as weekly/monthly office staff meetings, lab meetings, team meal where business happens to be discussed.

In some cases, for the convenience of the unit and/or to support the business purpose of the event, food and/or non-alcoholic beverages can be purchased. For example: annual strategic meeting or critical meetings that must be held during normal meal times. In these cases, dollar limits should be tied to local per diem rates.

No

Unless special conditions apply

Virtual Participation at an Event

When some or all participants are attending virtually, no virtual attendees can be provided a meal at the expense of the University.

No

Personal/Social Events

Gatherings such as employee graduation, birthday, anniversary, wedding/baby shower, or other celebrations.

No

The provision of alcoholic beverages is allowable at official function events when such beverages are customary and reasonable considering the facts and circumstances of the particular event. Typically, these will not be on-campus events attended only by employees. Refer to the Alcoholic Beverages expense section for further details.

Political Expenses

Type of Expense

Description

Allowability

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

See

APS Federal Lobbying Activities

APS State Lobbying Activities

No

Professional Development, Training, and Tuition

Professional development activities that advance an employee’s competence, skill, and effectiveness in alignment with the goals of the University and of the program/unit to which the employee is assigned.

When an employee is required to attend a development program, the time spent in attendance shall be counted as time worked, and the full fees and related costs (materials, travel, per diem, etc.) shall be paid by the department.

The following documentation must be provided for professional development expenses:

Business purpose of event, including description of event/activity
Agenda or course syllabus, if relevant
Date/s of event
Location of event
Itemized receipt and proof of payment

To qualify for reimbursement, allowable professional development activities must have prior approval by the appropriate department personnel.

Type of Expense

Expense Type/Account Code

Description

Allowability

Conferences, Seminars, Workshops, and Related Events

Registration Fees-Conference/Event (553000)

Conferences, seminars, and workshops all focus on learning and knowledge sharing but differ in format, audience size, and level of interaction. Conferences are large, formal gatherings with presentations and networking opportunities. Seminars are smaller, more focused events with in-depth discussions and presentations. Workshops are hands-on, interactive sessions where participants learn practical skills.

Yes

Tuition and fees for degree-seeking courses at CU

This does not include professional certifications; see Licenses and Certifications, above

CU tuition, fees, and books are not eligible for direct payment or for employee reimbursement.

See APS Tuition Assistance Benefit.

No

Tuition and fees for degree-seeking courses at other educational institutions

This does not include professional certifications; see Licenses and Certifications, above

Tuition, fees, and books at other institutions are not eligible for direct payment or for employee reimbursement and are considered the personal expense of the employee.

No

Recruiting Costs for Prospective Employees/Students

Type of Expense

Expense Type/Account Code

Description

Allowability

Recruitment Meal

Official Function (550100)-Recruitment

If alcohol provided:

Official Function with Alcohol (550102)-Recruitment

Held to enlist new employees (faculty, staff, post/pre-doctorates) or student athletes.

Employee recruitment meals may include family members of candidate/employees, based on level of position being recruited (e.g., recruitment for Chair or Dean).

Student athlete recruitment meals may include family members of candidate/employees based on situation.

The Official Function (OF) form must be completed.

Requires officer approval at designated thresholds (total food/beverage cost over $10,000, or per-person food/beverage cost over $125/person pre-tax/tip/fees -- it is expected that, as stewards of university resources, employees continue to stay well below this per-person threshold).

In addition, if alcohol provided:

Alcohol expense requires use of gift funds (Fund 34 SpeedTypes with a Gift Purpose Code 2 of Y, designating that the SpeedType is restricted for purposes including entertainment, donor cultivation, or personnel recruitment), or use of advancement/development funds (Fund 36).

Requires campus alcohol approval.

Yes

Recruitment Token Gift

Recognition Awards Non-Employees (550105)

When provided, emphasis should be on CU-branded items (e.g., pens or notebooks, coffee cups, apparel) or small Colorado-local items.

Yes

Recruitment Event

Official Function (550100)-Recruitment

Activity must be directly related to work position/field of study/reason for recruitment (exceptions may be authorized by the appropriate officer).

For student athletes, athletic policies also apply.

Reimbursements for family member/s of the recruit must be approved by the appropriate officer.

Yes

Reimbursements

Type of Expense

Description

Allowability

Reimbursement for personally paid expenses related to official University travel

See Procurement Service Center Procedural Statement Travel.

Yes, per PSC procedures

Reimbursement for personally paid expenses related to official University business

See Procurement Service Center Non-Purchase Order Payments.

Yes, per PSC procedures

Remote Work Equipmen

Type of Expense

Description

Allowability

Computing equipment for remote workers

Computing equipment is typically purchased directly by the University under contract.

Unit is responsible for tracking equipment within University office space and external locations. Equipment must be returned upon termination of employment.

See campus-specific processes:

CU Boulder: https://oit.colorado.edu/software-hardware/standard-computer-hardware-an... [12]
CU Denver | CU Anschutz: https://www.cuanschutz.edu/offices/office-of-information-technology/tool... [13]
UCCS: https://oit.uccs.edu/services/personal-computing-and-devices [14]
CU System: https://www.cu.edu/uis/policies-guidelines [15]

Yes

Furniture, lamps/lighting, utilities, etc., for remote workers

No

Internet connections for personal location

Personal location is a place of residence owned, rented, or otherwise used by the employee.

For internet-related expenses in travel status, see PSC Procedural Statement Travel.

No

Shipping equipment/supplies to personal locations

Federal Express (485118)

Other Postage/Shipping Supplies (485101)

Postage (485107)

Shipping Services (485102)

Personal location is a place of residence owned, rented, or otherwise used by the employee.

Employees are typically expected to come to campus to pick up business equipment and supplies. Exception: If employee is fully remote.

See campus procedures (if relevant):

UCCS: https://vcaf.uccs.edu/sites/default/files/2026-05/Ship-to-Home%20Waiver%... [16]

Depends

Study Subject Payments

Type of Expense

Description

Allowability

Payments to individuals to participate in various types of studies

Study Subjects (495102)

See PSC Procedural Statement Study Subject Payments.

Yes, per PSC procedures

Tickets to Events

Type of Expense

Expense Type/Account Code

Description

Allowability

Admission tickets to external event, purchased by the University

Ticket Cost (552609)

Tickets for admission to events to promote educational, administrative, research, and other

functions, e.g., museum passes.

Could be distributed as part of a staff appreciation event or as recognition.

Tax reporting depends on how/why the tickets are provided:

Tickets as part of staff appreciation event: If employees attend a group activity, such as an office recognition event at a sporting venue, the tickets are considered part of the event cost, not an individual award. They are not reported as taxable income.

Tickets given directly to employees as an individual award: If tickets are given directly to employees as an award, reward, or prize, recognition requirements may apply (see Recognition Grid for additional details on recognition programs, reporting forms, and tax reportability).

Yes

Complimentary tickets to university event, provided by the University

See FPS Complimentary Tickets and Related Expenses for Employees and Non-Employees.

Excess ticket distribution is not included as income to employees when following specific FPS guidelines.

Yes

Tips

Type of Expense

Expense Type/Account Code

Description

Allowability

Tips on meal service related to Official Function / Business Meal

Part of classification of meal (under same expense type)

Maximum allowable amount is 20% of the final bill (including tax, additional service charges or fees, delivery charges, etc.).

The decision to provide a tip should be made in the context of all charges included/represented in the final bill.

When determining locations/suppliers for Official Functions, organizational units should evaluate total costs in order to exercise good stewardship of CU funds.

Yes

Transportation-Related Expenses (not related to Travel Status)

Type of Expense

Description

Allowability

University-owned vehicle use (e.g., fleet, facilities)

Operating Supplies (552601)

See Administrative Policy Statement (APS) Operation of University Vehicles

Yes

Commuting/parking expenses to primary work location

No

Unless employee is fully remote

Speeding/parking violation tickets

No

Travel Expenses

Type of Expense

Description

Allowability

Lodging, meals, transportation, etc., in travel status

See PSC Procedural Statement Travel.

Yes, per PSC procedures

Uniforms, CU-Branded Clothing, and Regalia

Type of Expense

Expense Type/Account Code

Description

Allowability

Uniforms

Uniforms (537604)

Provided by organizational unit: The uniform is mandatory to wear at work. To meet this requirement, the clothing or uniform must not be suitable for taking the place of regular clothing (should not be considered street wear).

Examples: Campus Police Officer uniform or Facilities Management requirements; Medical/surgical wear such as surgical caps; Protective work boots, e.g., specific to Facilities teams, necessary for job duties; Research protective equipment (wet-suit, bee-keeping suit); Student-facing or other positions that need to be easily identified.

Uniforms provided by the university will not be reported as taxable wages when they are required as a condition of employment and are not intended for personal use. Clothing that is distinctive in design, displays university identification, or is otherwise required to be worn only while performing job duties may be treated as a non-taxable working condition fringe benefit, provided the organizational unit prohibits personal use.

If clothing is suitable for ordinary street wear and is not subject to restrictions limiting its use to work-related activities, the value may be taxable and reportable as wages. Organizational units should consult campus fiscal compliance when determining the taxability of uniforms or work clothing. When tax reporting is required, the organizational unit must submit the Recognition Reporting form to Employee Services.

Yes

CU-Branded Clothing

Recognition Awards Employees (550106)

Recognition Awards Non-Employees (550105)

Participant Prizes (550108)

Provided by organizational unit for personal use or for events; not required during course of job.

Examples: Organizational unit provides their employees or students with a CU- or unit-branded T-shirt/hoodie/etc. for personal wear as recognition.

These are allowable as token gifts or a method of appreciation; see Finance Procedural

Statement Recognition for threshold/reporting and other guidance.

Yes

Regalia (Robes, Cords, Caps, Stoles, etc.)

Operating Supplies (552601)

Reimbursement or direct payment of rental or purchase costs is not allowable.

Individual departments/campuses may have procedures in place that make certain regalia available, see below:

CU Boulder Regalia
CU Denver Regalia
CU Anschutz Regalia
UCCS Regalia

See campus resources

U.S. Immigration-Related Costs including Visas (entry into U.S.)

Type of Expense

Description

Allowability

Fees for permits, documents, and medical tests/inoculations that are required for international students, employees, and official visitors to conduct necessary study or work at the University.

For international students and visitors: Documents must be reviewed by the appropriate campus ISSS (International Student and Scholar Services) office. CU Boulder and UCCS: contact CU Boulder's ISSS office at isss@colorado.edu [17]. CU Denver | CU Anschutz: contact their ISSS office at isss@ucdenver.edu [18].

For international employees: Documents must be reviewed by the employment-based immigration team. Contact employment-based.immigration@ucdenver.edu [19].

If approved, these are not processed as reimbursement or direct payment through the Procurement Service Center (PSC). See Employee Services (ES) Procedures Guide, section on Moving (Relocation).

Yes

For guidance on passports, visas, and related documents/materials needed when exiting the U.S. to enter a foreign country, see Procurement Service Center Procedural Statement Travel.

Per PSC procedures

Groups audience:
Controller

Source URL:https://www.cu.edu/controller/clone-temp-finance-procedural-statement-business-expenses

Links
[1] https://www.cu.edu/controller/clone-temp-finance-procedural-statement-business-expenses
[2] mailto:fiscalcompliance@colorado.edu [3] mailto:FS-Compliance@ucdenver.edu [4] mailto:FSS@cu.edu [5] mailto:campus.accounting@colorado.edu [6] mailto:salestax@colorado.edu
[7] http://www.cuanschutz.edu/offices/fiscal-compliance/resources/sponsorships---donations
[8] mailto:acctfinc@uccs.edu [9] https://www.cuanschutz.edu/offices/fiscal-compliance/resources/gift-cards
[10] https://vcaf.uccs.edu/units/controllers-office/gift-cards [11] https://www.cu.edu/risk/event-activity-planning-0 [12] https://oit.colorado.edu/software-hardware/standard-computer-hardware-and-software/acquire-software-hardware?utm_source=software-hardware/recommended-software-and-hardware-list/acquire-software-hardware&utm_campaign=redirect
[13] https://www.cuanschutz.edu/offices/office-of-information-technology/tools-services/computer-and-device-setup

[14] https://oit.uccs.edu/services/personal-computing-and-devices [15] https://www.cu.edu/uis/policies-guidelines [16] https://vcaf.uccs.edu/sites/default/files/2026-05/Ship-to-Home%20Waiver%20Request%20Form.pdf [17] mailto:isss@colorado.edu [18] mailto:isss@ucdenver.edu [19] mailto:employment-based.immigration@ucdenver.edu