

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

**Effective Date: 10/25/2021** (see *Revision Log* for what changed on this date; use *Questions & Feedback form* to interact with University Controller staff)

The following matrix outlines the allowability of certain sensitive expenses. Conditions listed for an item are in addition to meeting all **Tests of Propriety** and other requirements of the APS Propriety of Expenses <sup>[2]</sup>. There are 8 "tests" of propriety: if you cannot answer "Yes" to all 8 questions, then the the transaction is not an appropriate use of University funds. **Take the Tests:**

*Is the transaction ...*

Legend: 🧑+ = Additional Approval Required 🏠 = Special Fund Use

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
<b>Alcoholic Beverages Expenses</b>			
Alcohol (for consumption-official function events) 🧑+ 🏠	Yes	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. Requires officer approval at designated thresholds.	<u>APS Alcoholic Beverages Purchased for University Events</u> <sup>[3]</sup>
Alcohol (for consumption-conferences hosted by CU) 🏠	Yes	Requires use of auxiliary or gift funds (Funds 20, 29, 34).	<u>APS Alcoholic Beverages Purchased for University Events</u> <sup>[3]</sup>
Alcohol (for consumption-in travel status)	No	However, if an official function occurs during travel status, official function procedures apply	<u>PPS Travel</u> <sup>[4]</sup>

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Alcohol (for resale by licensed establishment)	Yes		<u>APS Alcoholic Beverages Purchased for University Events</u> [3]
Alcohol (for non-consumption purposes)	Yes	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)	<u>APS Alcoholic Beverages Purchased for University Events</u> [3]
<b>Automobile - Related Expenses</b>			
University - owned vehicle expenses	Yes	APS Operation of University Vehicles	
Commercial vehicle rental expenses or trip fares, or taxi/shuttle service	Yes		<u>PPS Travel</u> [5]
Private vehicle expenses	Yes	(only mileage is reimbursable)	<u>PPS Travel</u> [5]
Insurance	Yes		<u>PPS Travel</u> [5]
Moving or stationary vehicle violation tickets	No		
<b>Break Room Equipment Expenses</b>			
Basic equipment for taking meals or snacks within the workplace, such as simple refrigerators, microwaves, stoves, coffee pots, toasters, water filtration	Yes		
Equipment for employee entertainment (e.g., audiovisual equipment such as DVD players)	No		

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
<b>Conference Expenses</b>			
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	
Costs of attendance at conferences hosted by other entities	Yes		<u>PPS Travel</u> [5]
<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> [6]
<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), 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).	If including what would otherwise be considered fundraising events, see Accounting Handbook Chapter <u>Fundraising Events</u> [7] See also Fundraising Expenses, below.
<b>Family Members</b>			

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Family Members (participation in university events)	Yes	Family member participation in official function events should be limited to those appropriate, e.g., employee's spouse or domestic/civil union partner, although in certain circumstances (such as appreciation or retirement functions), it may be appropriate for additional family members to attend. There are also instances, such as external community relations or fundraising functions, where it may be deemed necessary for immediate family members to attend an event for the purpose of promoting the University.	<u>FPS Recognition &amp; Training</u> <sup>[8]</sup> , <u>FPS Complimentary Tickets and Related Expenses for Employees and Non-Employees</u> <sup>[9]</sup>
<b>Fetal Tissue</b>			
Human	Yes	Requires requisition in CU Marketplace regardless of dollar amount Requires purchase from authorized supplier	<u>Purchasing agent for this commodity</u> <sup>[10]</sup>
<b>Flowers, Fruit Baskets, Token Gifts, Greeting Cards (if provided for recognition, then see Recognition Expenses, below)</b>			
For decorative purposes associated with an official function	Yes		
For expressing holiday, get-well, or congratulation wishes	No		
For purposes of recognition (e.g., length of service, merit, etc.)	Yes	Must comply with Recognition & Training procedures	<u>FPS Recognition &amp; Training</u> <sup>[8]</sup>

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
<p>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</p>	Yes	Requires approval by the appropriate officer	
<p>For donor cultivation, solicitation, and stewardship</p>	Yes	<p>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).</p>	
<p>For expressing condolences upon the death of current students</p>	Yes	Requires approval by the appropriate officer	
<p>For all major life events for the employee or immediate family member of the employee. <i>Immediate family is a spouse, domestic partners, civil union partner, dependent child, or parent.</i> (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.)</p>	Yes	Requires approval by the appropriate officer	

**Food and Related Consumables**

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Food and related consumable items for the employee's personal consumption (not in travel status and not at official functions)	No		
Consumable items necessary to maintain the cleanliness of employee break room, such as paper towels, dish detergent, and sponges. Does not include items such as plates and silverware.	Yes		
Beverage service available in the general public area or reception area of an organizational unit hosted by a university employee who is (1) either at/above the level of Chair/Director, or (2) involved in donor cultivation, solicitation, and stewardship activities. Prohibited in individual offices of university employees.	Yes	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 (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).	
<b>Food for events</b>			
For official functions—common types of events include:	Yes	For all these events, see	<u>FPS Official Functions</u> <sup>[11]</sup>

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Community relation functions, external - directly related to University's instructional/research/public service mission;	Yes		
Donor cultivation, solicitation, and stewardship official functions;	Yes		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). See also Donor Cultivation, Solicitation, and Stewardship Expenses, above
Employee recognition/appreciation events and retirement functions;	Yes		For recognition events, see also Recognition Expenses, below
Goodwill functions - for official guests/volunteers to indicate goodwill or esteem;	Yes		
Recruitment functions - to enlist new employees, faculty, post-/pre-doctorates, student athletes, etc.;	Yes		For recruitment functions, see also Recruiting Costs for Prospective Employees/Students, below. Note that for student athletes, athletic policies also apply
Training functions;	Yes		For training functions, see also Training Expenses, below

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Multi-campus or multi-unit (i.e., not reporting to the same officer) events;	Yes	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. Meetings more frequent than monthly require approval from appropriate vice chancellor.	
Single-unit (reporting to the same officer) events; 🏠+	Yes	Requires approval from appropriate vice chancellor/vice president.	
Student functions - hosted for students, and directly related to student/educational development (e.g., student recognition, student recruitment, and student program development)	Yes		
Student residential life activities/functions	Yes		
Conferences	Yes	See Conference Expenses, above	
Fundraising events	Yes	See also Fundraising Expenses, below	
Meals for employees in travel status	Yes		<u>PPS Travel</u> [5]
<b>Fundraising Expenses</b>			
Incurred to raise support for the University	Yes	See also Donor Cultivation, Solicitation, and Stewardship Expenses, above	<u>Accounting Handbook Chapter Fundraising Events</u> [12]
<b>Gifts or Tokens</b>			



ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
For employees, associates, and other individuals (including students), in the form of cash or non-cash items	Yes	See Recognition Expenses, below	<u>FPS Recognition and Training</u> [8]
For supporting organizations as an indication of goodwill or esteem or event-related advertisement			
- Cash (given as a donation)	No	See Donations, above	
- Non-cash	Yes	See Donor Cultivation, Solicitation, and Stewardship, above 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).	<u>FPS Recognition and Training</u> [8]
For donor cultivation, solicitation, and stewardship			
For employee recruitment		See Recruiting Costs for Prospective Employees/Students, below	
<b>Internet Connections</b>			
Internet connections from a personal location	No	Unless approved on a temporary basis by the appropriate Vice President or Vice Chancellor of Finance or her/his designee	

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
<b>License Fees, Memberships, or Dues</b>			
License fees, memberships, or dues	Yes		<u>APS License and Certification Fees, Memberships, or Dues</u> [13]
<b>Moving Expense Reimbursement</b>			
Moving expense reimbursement (includes house hunting expenses)	Yes		<u>Employee Services (ES) Procedures Guide, section on Moving (Relocation)</u> [14]
<b>Parking</b>			
Fees paid by employee at a primary work location	No		
Tickets (received either on or off campus)	No		
Fees associated with an employee in travel status	Yes		<u>PPS Travel</u> [5]
Rate-based parking paid by employee at a secondary work location	Yes	Must define primary work location	
Prepaid parking or meter keys not purchased directly from the University	No		
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>			

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
(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> [15] <u>APS State Lobbying Activities</u> [16]
<b>Recognition Expenses</b>			
Awards, rewards, and prizes	Yes		<u>FPS Recognition and Training</u> [8]
Staff Appreciation Meals (where the approved meal is the award and no separate awards are being given)	Yes		<u>FPS Recognition and Training</u> [8]g <u>FPS Official Functions</u> [11]
Recognition Events	Yes	For related Gifts see Flowers, Fruit Baskets, and Greeting Cards and Gifts or Tokens, above	<u>FPS Recognition and Training</u> [8] <u>FPS Official Functions</u> [11]
<b>Recruiting Costs</b>			

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Recruiting costs for prospective employees/students	Yes	Activities 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	<u>PPS Travel</u> [5] <u>FPS Official Functions</u> [11]
<b>Reimbursements</b>			
Reimbursements	Yes	As restricted by	<u>PPS Travel</u> [5]
<b>Retirement Parties</b>			
Retirement parties	Yes	See Recognition Expenses, above	<u>FPS Recognition and Training</u> [8] <u>FPS Official Functions</u> [11]
<b>Student Recruitment Host Per Diems</b>			
Student recruitment host per diems	Yes	\$30 per diem is allowed to student hosts to cover costs associated with official recruiting visits for potential students (no receipts required) Requires fully executed agreement between student host and organizational unit, detailing responsibilities/activity dates For student athletes, athletic policies also apply	
<b>Tickets to Events</b>			

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Admission tickets to event, purchased by the University	Yes	For tickets given as donor cultivation, solicitation, and stewardship, see those expenses, above. Requires use of advancement/development funds (Fund 36), or use of	<u>FPS Official Functions</u> [11] <u>APS Donations</u> [6]
Complimentary tickets to university events (provided by the University)	Yes	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).	<u>FPS Complimentary Tickets</u> [9]

**Tips**

Tips	Yes	<p>For tips on meal service related to Official Functions, the maximum allowable amount is 20% of the final bill (including tax and, if relevant, delivery charge), if the final bill does not already include a tip. If the final bill includes a set amount (of any percentage) for gratuity, then no additional tip may be provided.</p> <p>For tips on ground service transportation and other items related to travel status, see <u>PPS Travel</u> [5]</p>
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**Training Expenses**

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
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	Training function must have a written agenda Subject matter/focus of activities must be directly related to work environment/work tasks	<u>FPS Recognition and Training</u> [8] <u>FPS Official Functions</u> [11]
Non-work-related activities and their related costs, such as sporting league registrations/fees and team uniforms	No		

**Uniforms and Work Clothes**

(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)	Yes	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	
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**Visas, Green Cards, and/or Immigration Fees for entry into U.S.**

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
<p>Fees for permits/documents as required by students, scholars, researchers, or employees <b>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</b> (to include fees for passport/visa photos, foreign country exit fees, costs of birth/health/identity certificates, charges for inoculation/medical test...not to include ancillary costs such as charge for doctor's office visit)</p>	Yes	<p>All documents must be approved by the campus international student and scholar services office</p>	
<p>Fees for permits/documents required for immediate family members of students, scholars, researchers, or employees</p>		<p>Must be approved by the appropriate officer All documents must be approved by the campus international student and scholar services office.</p>	<p><u>Employee Services (ES) Procedures Guide, section on Moving (Relocation)</u> [14]</p>
<b>Visas for exiting U.S.</b>			

ITEM (GOODS/SERVICES)	ALLOWABILITY	CONDITIONS	POLICY/PROCEDURE
Includes fees for visa photos, costs of birth/health/identity certificates, and charges for inoculation/medical test	Yes	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. 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	<u>PPS Travel</u> [5]



## Exceptions

Unless approved by the Associate Vice President & University Controller, there are no exceptions to this procedural statement. Requests for exceptions must be submitted through the campus controller's office. [17]

## Revision Log

- Updates 10/25/21: noted that donor cultivation expenses are allowed -- not only with advancement/development funds (Fund 36) -- but also with certain 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); clarified that flowers/token gifts can be purchased if in compliance with Recognition & Training procedures
- Updates 10/1/2021: clarified single-unit meetings with food; clarified participation of employee spouses/partners at official function events; clarified token gifts in flowers/fruit baskets section; added employee parents to immediate family member list for flowers.
- Supersedes PSC Procedural Statement Sensitive Procedures [18] dated 4/14/2021

## Have a question or feedback?

## Questions & Feedback [19]

### Feedback or Question \*

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#### Your Email Address

#### Groups audience:

Controller

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**Source URL:** <https://www.cu.edu/controller/procedures/finance-procedural-statements/finance-procedural-statement-sensitive-expenses>

#### Links

[1] <https://www.cu.edu/controller/procedures/finance-procedural-statements/finance-procedural-statement-sensitive-expenses>

[2] <https://www.cu.edu/ope/aps/4015>

[3] <https://www.cu.edu/ope/aps/4018>

[4] <https://www.cu.edu/psc-procedural-statement-travel>

[5] <https://www.cu.edu/psc/psc-procedural-statement-travel>

- [6] <https://www.cu.edu/ope/aps/4027>
- [7] <https://www.cu.edu/controller/procedures/accounting-handbook/fundraising-events-procedures>
- [8] <https://www.cu.edu/controller/procedures/finance-procedural-statements/finance-procedural-statement-recognition-and>
- [9] <https://www.cu.edu/controller/procedures/finance-procedural-statements/finance-procedural-statement-complimentary>
- [10] <https://www.cu.edu/psc/commodity-listing>
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- [12] <https://www.cu.edu/controller/fundraising-events>
- [13] <https://www.cu.edu/ope/aps/4011>
- [14] <https://www.cu.edu/docs/moving-expense-worksheets>
- [15] <https://www.cu.edu/ope/aps/2004>
- [16] <https://www.cu.edu/ope/aps/2009>
- [17] <https://www.cu.edu/controller/campus-controllers-finance-offices>
- [18] <https://www.cu.edu/psc/policies/psc-procedural-statement-sensitive-expenses>
- [19] <https://www.cu.edu/controller/forms/questions-feedback-0>