

Refunds vs. Reimbursements ^[1]

A **refund** is processed when CU was going to provide a good or service that ultimately, CU didn't provide or the purchaser didn't need (event was canceled, goods were returned, security deposit was no longer required, etc.). In this case, the individual or entity being refunded originally made a payment to CU.

A **reimbursement** is processed when an individual/entity paid for something with personal funds that should ultimately be covered by CU. In this case, the individual or entity being reimbursed originally made a payment to someone/something else -- not CU.

Effective March 1, 2021, refunds are handled in one of the following ways, according to the specific payee (refund recipient):

- Refunds to employees, and refunds to most non-employees, are processed in the Concur Travel & Expense System. Use the appropriate type of report depending on the payee: Travel Reconciliation (for refunds to employees), or Non-Employee Expenses (for refunds to non-employees).
 - **Note:** Refunds to non-U.S. persons or non-U.S. addresses are processed on the paper Non-Employee Reimbursement-International (NRI) form.
- Refunds to non-individuals (i.e., companies, associations) are issued on the Payment Voucher form in CU Marketplace and will require a W-9 unless the entity is already set up in Marketplace.
 - **Note:** Refunds to Sponsors are processed on the paper Payment Authorization (PA) form, since sponsors are not required to submit W-9s in order for CU to return unused funds to them.

The University can issue full/partial refunds under the following circumstances:

- The individual/non-individual (entity) previously paid money to CU, e.g., for a CU-sponsored conference or workshop, or as a deposit on a key, a locker, an apartment, etc.
- The goods or services that were paid for are no longer needed, or are no longer available, or the time period for which the deposit was required has elapsed.
- According to the terms of the initial payment/deposit, the individual/non-individual is now due for a full or partial return of funds.

What account code do you use for refunds?

In CU Marketplace -- and on the NRI and PA paper forms -- you can basically select from the range of Account ChartField values for the refund. In Concur, there are a limited number of expense types/refund Account codes to choose from. So you'll select the best option and then, if you prefer a different Account value, you can create a Journal Entry in the Finance System to adjust.

Note:

Typically, the University makes the refund in the same manner as the original payment. For example: An individual who paid by personal credit card for a CU-sponsored workshop would typically be refunded (if refund due) on that credit card. However, in some cases, this approach is not practical or possible -- so the individual would instead be reimbursed by warrant (through Concur or the NRI form).

Have a question or feedback?

Questions & Feedback ^[2]

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[1] <https://www.cu.edu/psc/refunds-vs-reimbursements>

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