



Appropriate Expenditure Guidelines

Updated July 12, 2022

I. General Information Regarding University Expenditures

These guidelines are intended to help University faculty, staff, and departments make consistent and appropriate decisions when expending University funds. University Policy 204 *Appropriateness of Expenditures* requires university employees and departments to comply with these guidelines. Expenditures must also adhere to other relevant University Policies, such as:

- Policy 204 *Appropriateness of Expenditures*
- Policy 211 *Employee Appreciation and Recognition*
- Policy 241 *University Procurement*
- Policy 242 *Solicitation and Award of Procurement Contracts*
- Policy 243 *Small Purchases*
- Policy 244 *Requisitions and Purchase Orders*
- Policy 251 *Traveling on University Business*
- Policy 512 *Administration of Scholarships and Other Payments to Students*

II. Business Purpose

All expenditures must have a legitimate business purpose and must be appropriate for the circumstance or activity. An appropriate business purpose answers the question: How does this expenditure benefit UVU? When documenting expenditures, employees should refrain from using vague or generic language, uncommon acronyms, or descriptions that merely state the goods/services being purchased. Business purposes should be written in such a way that someone unfamiliar with an employee's position, department, or even the University, would be able to understand how the expenditure benefits UVU. Below are some examples of sufficient and insufficient business purpose explanations:

Expenditure Type	Sufficient Business Purpose	Insufficient Business Purpose
Membership	2021 Annual Membership for Willy Wolverine to Western Wolverine Association (WWA)	WWA Membership
Business Meal	Meal with potential College of Science donors on Dec 4, 2021	Meal at restaurant
Conference	Conference fee for John Smith to attend University Executives Conference 2021	Conference for John
Instructional Supplies	Supplies for Electrical Engineering project	Electrical parts

III. Required Approvals

All expenditures must be approved by the appropriate index responsible party for the Banner index from which the expenditure is being paid. Additional approvals are required dependent on the amount of the expenditure.

Expenditure Amount	Required Approval
All expenditures	Index responsible party or temporary designee.
\$25,000 and above	Executive
\$50,000 and above	Vice President
\$250,000 and above	President
\$1,000,000 and above	President's Council

Some payment and purchasing methods require additional approvals, such as an employee's supervisor or a specific university department. These additional approvals are defined and maintained in the relevant purchasing method's documentation (e.g., the P-Card Manual).

Some expenditures additionally require Executive or Vice President approval, regardless of expenditure amount.

Expenditures Requiring Executive Approval	Expenditures Requiring Vice President Approval
Alcoholic Beverages	Non-professional Memberships
External Sponsorships	Annual Socials
Tickets/Entertainment	

Specific types of expenditures may require additional approvals, documentation, or processes. Please see the guidelines in the following section.

IV. Purchasing/Expenditures

The guidelines listed below specify the procedures, required documentation, and additional approvals needed for specific types of expenditures.

1. Alcoholic Beverages

- a. Alcoholic beverages required to promote the University at events external to the campus must have executive approval prior to the purchase. Also, see UVU Policy 157.

2. Appliances

- a. Microwave ovens, toasters, coffee makers, and refrigerators for departmental use in common areas are an appropriate expenditure.
- b. Fans and ceramic space heaters are an appropriate expenditure.
- c. Appliances that are used in, or in support of, educational and research programs are appropriate expenditures (e.g., autoclaves or ice machines, see also “Equipment”).

3. Awards, Prizes, Gifts, Giveaways

- a. Awards, prizes, gifts, or giveaways awarded to non-employees are appropriate expenditures.
- b. Gift cards and other cash equivalents purchased to be given to non-employees are an appropriate expenditure.
- c. Gift cards and other cash equivalents awarded to university employees as appreciation or recognition are appropriate expenditures only if part of a campus-wide initiative approved by Human Resources.
- d. Awards, prizes, gifts, or giveaways awarded to university employees by any university entity are appropriate expenditures if done in accordance with UVU Policy 211 *Employee Appreciation and Recognition*.
- e. Awards, prizes, gifts, or giveaways with a value greater than \$600 must be reported to Accounts Payable via the *Receipt of Compensation Form*.
- f. Restrictions
 - 1) Awards, prizes, gifts, or giveaways awarded in lieu of compensation for services rendered is prohibited. Focus groups, surveys, participation in research, etc. do not qualify as services rendered to the University.
 - 2) Awards, prizes, gifts, or giveaways awarded for lotteries, raffles, or games of chance that require participants to purchase items/tickets, or donate to a cause or to the University, are not an appropriate expenditure.
 - 3) Scholarships awarded to students that are not coordinated through the Scholarship Office are considered a gift and are not an appropriate expense. Scholarships are to be awarded and administered in accordance with UVU Policy 512 *Administration of Scholarships and Other Payments to Students*.

4. Child Care Expenses

- a. Restrictions
 - 1) Child care expenses are considered personal and are not appropriate expenditures.

5. Clothing

- a. Standardized uniforms owned by the University and required for employee work assignments are an appropriate expenditure.
- b. Clothing and apparel provided to promote university student recruiting programs, marketing, and promotional events, and related to university business, (for example, Athletics, Prospective Student Services, University Marketing, etc.) is an appropriate expenditure.
- c. Rental of caps and gowns for university faculty/staff who participate in a university commencement ceremony is an appropriate expenditure.
- d. Restrictions
 - 1) Personal clothing is considered a personal expense and is not an appropriate expenditure.

6. Donations

- a. Restrictions
 - 1) Donations to a charitable or non-charitable organization made by university entities, other than student clubs and organizations designated by Student Life and Leadership and Campus Recreation, are not appropriate expenditures.
 - 2) Political contributions are not an appropriate expenditure.

7. Emolument, Gratuity, Contribution, Loan, or Reward for Expenditure

- a. Expenditures of institutional funds by university employees related to a promise to provide or in receipt of an emolument, gratuity, contribution, loan, or reward, for an employee's own use or benefit or for the use or benefit of any other person or organization is not appropriate.

8. Events

- a. Events for Faculty and Staff
 - 1) The cost of one faculty or staff social per year per organizational unit is an appropriate expenditure as approved by the organizational unit's appropriate vice president. Such costs may include rentals, food, entertainment, and decorations.
 - 2) Retirement and going-away receptions may be held for an employee leaving the University and purchases related to such events are appropriate expenditures. Any retirement gifts must adhere to the requirements of the Awards, Prizes, Gifts, Giveaways section and Policy 211.
 - 3) Restrictions
 - (A) Other receptions or events, such as baby showers, wedding showers, birthday parties, or similar types of activities are not related to university business. These expenditures are considered to be personal and are not appropriate.
 - (B) Going-away receptions, parties, luncheons, or dinners held for employees transferring to another college, department, or unit within the University are not appropriate expenditures.

9. Flowers

- a. Flowers (such as bouquets, planters, floral arrangements, balloons, cookies, and stuffed animals) are an appropriate expenditure.
- b. Restrictions
 - 1) Flowers for office use, personal office/work areas, holidays, non-university business, and other occasions (for example, weddings, baby showers, Secretary's Day, Valentine's Day, Bosses' Day) are considered personal expense items and are not appropriate expenditures.

10. Food

- a. Food provided for university business meetings and university-sponsored events (including employee achievement awards programs, student academic/athletic awards programs, and faculty/staff academic awards programs) where food or meals are provided in the course of doing business is an appropriate expenditure if limited to the appropriate university faculty, staff, students, donors, or other guests.
- b. Restrictions
 - 1) Refreshments and other low-cost food items are not appropriate expenses for personal offices or non-public areas.
 - 2) Food, refreshments, or other break room supplies for faculty/staff break areas are not appropriate expenditures. This includes items such as coffee, coffee filters, plastic silverware, and disposable plates.

11. Gasoline/Fuel

- a. Gasoline for university fleet vehicles is an appropriate expenditure when using the vehicle's assigned Gas-card. If a university vehicle driver cannot find a Gas-card vendor, the driver may purchase fuel personally and be reimbursed through the personal reimbursement process.
- b. Fuel may be purchased for rental cars and is an appropriate expenditure. If used for overnight travel, the fuel should be claimed with other travel expenses.
- c. Restrictions
 - 1) Gasoline/fuel for private vehicles are included in the personal vehicle mileage reimbursement rate and is not an appropriate expenditure.

12. Holiday Cards

- a. Holiday and other cards (e.g., Christmas) for an external audience are appropriate expenditures when considered part of the University's development or advancement strategy.
- b. Restrictions
 - 1) Holiday cards for use within or between University organizational units are not appropriate expenditures except for those made by student clubs and organizations designated by Student Life and Leadership and Campus Recreation.

13. Holiday Decorations

- a. Reasonable holiday decorations for open, public areas (such as Dining Services, Campus Store, Library, the events center, Institutional Residence, and organizational unit reception areas) are appropriate expenditures.
 - 1) Holiday decorations in personal offices, work areas, etc., that are not open, public areas are not appropriate expenditures.

14. Laundry and Dry Cleaning

- a. Laundry/dry cleaning of team uniforms or costumes is an appropriate expenditure.
- b. Restrictions
 - 1) Personal laundry/dry cleaning is considered a personal expense and is not an appropriate expenditure.

15. Loans

- a. Loans to students are appropriate expenditures only when issued through the Department of Financial Aid and Scholarships. (see UVU Policy 512 *Administration of Scholarships and Other Payments to Students*.)
- b. Restrictions
 - 1) Loans to university employees and organizations administered by the University are not appropriate expenditures.

- 16. Magazine Subscriptions and Publications**
- a. Subscriptions for departments for magazines, trade journals, and reading materials are an appropriate expenditure.
 - b. Restrictions
 - 1) Personal subscriptions to magazines, trade journals, and reading materials that are not related to university business are considered personal in nature and are not appropriate expenditures.
- 17. Memberships, Certifications, and Licensing**
- a. Employee certifications and professional licensing relevant to the employee's position are and appropriated expenditure.
 - b. Employee or departmental memberships in professional/service organizations related to university business are an appropriate expenditure.
 - c. Memberships and dues in non-professional organizations (such as country clubs, golf clubs, tennis clubs, and airline clubs) are appropriated expenditures if related to university business and made from non-appropriated funds. These expenditures must be approved by the appropriate vice president.
 - d. Restrictions
 - 1) Additional or personal memberships for which the University already maintains a university-wide or corporate membership (such as Costco or Amazon) are not appropriate expenditures.
- 18. Personal Reimbursements**
- a. Personal reimbursements to an employee for an appropriate expenditure are allowed up to \$500. Personal reimbursements for expenditures above this amount are considered a purchasing violation and must be submitted through the purchasing violation process. Personal reimbursements are not a purchasing method and should only be used sparingly when other purchasing methods are not available or feasible.
 - b. Utah state sales tax paid on expenditures for which a personal reimbursement is requested will not be reimbursed.
- 19. Printing**
- a. University departments are encouraged to utilize UVU Printing Services for all printing needs.
 - b. Printing with external vendors with a cost below \$500 is an appropriate expenditure.
 - c. Printing with external vendors \$500 or more is an appropriate expenditure if written approval from UVU Printing Services is obtained.
- 20. Sponsorships**
- a. Sponsorship of, or marketing with, external charitable and non-charitable organizations is appropriate with executive approval and approval from Marketing and Communications.
 - b. Charitable events participation, such as University and Foundation fundraisers, is appropriate if the event is one of the major marketing/fundraiser sponsorships of the University as designated by the President: for example, Scholarship Ball, Alumni Golf Tournament, Wolverine Golf Tournament, etc. These sponsorships require executive approval and must include potential donors or community members.
- 21. Tickets and Entertainment**
- a. Tickets or entry fees to entertainment events, such as theaters, golf courses, sporting events, non-university sponsored events, or other functions, are appropriate expenditures with executive approval and if related to university business.

22. Travel

- a. For appropriate and inappropriate expenditures for university-related business travel, see UVU Policy 251 *Traveling on University Business*, UVU Policy 252 *International Travel for Students, Faculty, and Staff*, UVU Policy 602 *Student-Athlete Travel and Attendance*, and Travel Office Guidelines on the Travel Office website.

23. Vehicles

- a. The purchase of a university-owned vehicle is an appropriate expenditure if coordinated and approved by UVU Fleet Operations and approved by the Vice President of Administration and Strategic Relations.
- b. Fees charged to park a university-owned vehicle are an appropriate expenditure.
- c. Fees charged to park a personal vehicle while on university business are an appropriate expenditure.
- d. Restrictions
 - 1) Personal vehicle towing, traffic/parking tickets, and other related fines are not appropriate expenditures.
 - 2) Towing and traffic/parking tickets incurred by an employee while driving a university-owned vehicle shall be paid by the driver and are not an appropriate expenditure.
 - 3) Repairs, maintenance, or insurance premiums and claims for personal vehicles used for university business is included in the mileage reimbursement rate and are not appropriate expenditures.

V. Personal Expenses

The use of university funds for any personal expenses or expenditures is not appropriate. Some examples of personal expenses are described in Section IV. A summary of those examples is provided below:

1. Corporate and or personal charge cards annual fees, delinquency assessments, penalties, and other associated expenditures;
2. Childcare expenses;
3. Personal clothing;
4. Personal laundry/dry cleaning;
5. Personal magazine or newspaper subscriptions;
6. Tickets and entry fees for personal entertainment; and
7. Travel expenses related to personal or vacation days.

VI. Exceptions

Student clubs and organizations designated by Student Life and Leadership and Campus Recreation that use agency funds generated by club dues, activities, or sponsorships are excepted from these guidelines when utilizing agency funds for expenditures.