

FINANCIAL POLICIES

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	Financial Policies	Responsible Administrative Unit Administration & Operations
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1.0 APPLICATION OF THESE FINANCIAL POLICIES

These Financial Policies of the Board of Trustees of the Colorado School of Mines (hereinafter, the “Mines’ Financial Policies” or “Policies”) shall apply to all operations under the control of the Board of Trustees. Throughout the document, the terms Colorado School of Mines, Mines, and University all refer to the Colorado School of Mines.

2.0 BACKGROUND AND PURPOSE

In the 2010 legislative session, Senate Bill 10-003, referred to as the Higher Education Flexibility Bill, was passed by the General Assembly and signed by the Governor that allowed, among other things, institutions of higher education to be excluded from certain sections of C.R.S. §24-30-202.

Specifically, C.R.S. §24-30-202 (13) (b) was changed as follows (text in all CAPS added):

(b) It is the intent of the general assembly that fiscal rules promulgated by the controller shall be applicable to any institution of higher education; notwithstanding any specific grant of authority to the governing board of such institution of higher education EXCEPT THAT THE GOVERNING BOARD OF AN INSTITUTION OF HIGHER EDUCATION THAT HAS ADOPTED FISCAL PROCEDURES AND HAS DETERMINED THAT THE FISCAL PROCEDURES PROVIDE ADEQUATE SAFEGUARDS FOR THE PROPER EXPENDITURE OF THE MONEYS OF THE INSTITUTION MAY ELECT TO EXEMPT THE INSTITUTION FROM THE FISCAL RULES PROMULGATED BY THE CONTROLLER PURSUANT TO THIS SUBSECTION (13), INCLUDING ANY PROCEDURES OR FORMS REQUIRED BY LAW TO BE PROMULGATED BY THE CONTROLLER AND ANY REVIEW OR APPROVAL REQUIRED TO BE PERFORMED BY THE CONTROLLER, AND SHALL NOT BE REQUIRED TO COMPLY WITH RULES PROMULGATED PURSUANT TO THIS SUBSECTION (13) OR WITH THE PROVISIONS OF SUBSECTION (1), (5) (b), (20.1), (22), OR (26) OF THIS SECTION. THE PROVISIONS OF THIS PARAGRAPH (b) SHALL ALSO APPLY TO THE BOARD OF DIRECTORS OF THE AURARIA HIGHER EDUCATION CENTER WITH REGARD TO THE EXPENDITURE OF MONEYS OF THE AURARIA HIGHER EDUCATION CENTER.

This flexibility was authorized in recognition of the extraordinary reduction in state support for higher education institutions as well as the increasingly divergent operating needs of colleges and universities relative to other State agencies.

It is the intent of the University’s management to adopt and implement financial policies for the University that provide the needed flexibility to conduct University operations in the most

efficient and effective manner while ensuring adequate safeguards for the proper expenditure of University resources. Adoption of such University specific financial policies will result in immediate efficiency gains through the elimination of the time and effort required to obtain State Controller approval for both routine and unique University transactions. It will also result in staff timesavings by the gradual elimination of duplicative and unnecessary steps in approving expenditures and processing payments and contracts.

CHAPTER 1: ACCOUNTING

Policy 1-1 ACCOUNTING PRINCIPLES AND STANDARDS

The accounting principles of the University shall be based on generally accepted accounting principles (GAAP) as adopted by the Governmental Accounting Standards Board (GASB) and applicable laws and regulations. When it is necessary to report compliance of financial transactions with statutory requirements, supplemental schedules may be used. Preparation of separate statutory-based reports may also be necessary.

Policy 1-2 INTERFACE WITH THE STATE FINANCIAL SYSTEM

The University shall have the option to use its own accounting systems with an automated interface into the State's system, or use the State's system directly as determined by the Chief Financial Officer and Controller. If the University chooses to use its own accounting system, the Controller shall continue to report to the State Controller regarding its financial transactions as required by law. To facilitate such reporting, the University shall maintain an electronic interface with the State financial system acceptable to the State Controller and the University.

The University is authorized by the State Controller as the custodian of the University's portion of the financial database on the State financial system. The University shall not grant any person access to financial data contained on the State financial system for general perusal, other than University *Employees* or representatives for *Official University Business* purposes. Specific requests for query access to the financial database of the University's financial system shall be in accordance with the Colorado Open Records Act. See Policy Library, [Public Records Requests](#).

Policy 1-3 DELEGATED AUTHORITY

As used herein, the University President is the Chief Executive Officer (CEO), the Executive Vice President for Administration and Operations is the Chief Financial Officer (CFO), the Assistant Vice President for Administration is in charge of procurement functions, and the Controller is responsible for the fiscal management and fiscal integrity of the University. All of these individuals shall have the authority to delegate signature authority relative to these Financial Policies as appropriate and shall document any delegations via an agreement signed by the applicable Employees. Delegations are made to individuals and not positions and therefore do not transfer to an *Employee* who fills a position vacated by an *Employee* with delegated or sub-delegated authority. Delegates shall observe all rules, procedures, dollar thresholds, and other requirements of the University, respectively, and the conditions, if any, of their specific delegation.

These Policies may only be waived or amended upon approval of the CFO.

Policy 1-4 FINANCIAL TRANSACTIONS AND INTERNAL CONTROLS

The University shall implement internal accounting and administrative controls that reasonably ensure that financial transactions are accurate, reliable, and conform to these Policies prior to recording transactions on the University financial system and prior to making payment. The factors of risk, cost, and business requirements shall be considered when establishing these internal controls.

Policy 1-5 REPORTING OF FRAUD, THEFT, OR EMBEZZLEMENT

The University is responsible for the design and implementation of programs and controls to prevent, deter, and detect fraud. Any suspected fraudulent misstatements of the financial statements shall be reported to the Controller. Any suspected theft or embezzlement of University funds or assets shall be handled in accordance with University's Fraud Policies and Procedures. See [Whistleblower Policy](#).

Policy 1-6 ACCOUNTABILITY AND CAPITALIZATION OF EQUIPMENT

Each Department of the University, working with the Controller's Office, is responsible for ensuring that all *Equipment* acquired by the University is properly accounted for when acquired, inventoried, and safeguarded throughout its useful life. Items with a useful life of greater than one year purchased by the University either shall be 1) capitalized, if the cost of the *Equipment* is \$5,000 or greater, or 2) expensed in the fiscal year in which it was acquired.

Each Department of the University, working with the Controller's Office, is responsible for ensuring that all *Equipment* acquired by the University is properly accounted for at the time of disposal. When *Equipment* is ready for disposal, the department is required to contact the Controller's Office to ensure appropriate procedures are followed. The University cannot donate any University assets to any organization.

Campus departments are encouraged, but are not required, to maintain *Equipment* inventory lists of *Equipment* costing less than \$5,000 that the department believes is susceptible to theft, such as computers, lab equipment, etc. If such lists are maintained, departments should review and update the inventory lists on an annual basis.

CHAPTER 2: DISBURSEMENTS

Policy 2-1 PROPRIETY OF EXPENDITURES

All expenditures by the University shall be made for official business purposes only and shall be reasonable and necessary under the circumstances. Expenditures shall at all times be limited to the amount of funds that have been budgeted or allocated for such purposes.

The tests of propriety are used to evaluate whether or not an expenditure is an appropriate use of University funds, regardless of the source. An expenditure of University funds will be considered proper only if it meets all of the tests of propriety. The list below contains questions designed to test the propriety of expenses by forming an evaluation framework.

Is this transaction:

- i. For *Official University Business*?
- ii. In the best interest of the University?
- iii. The most effective way to accomplish *Official University Business*?
- iv. Without the expense, would programmatic objectives be difficult or otherwise more costly to achieve or would the impact, level, or quality of the achievement be reduced?
- v. 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 individuals?
- vi. Within the available resources of the responsible unit, taking into consideration all outstanding commitments and encumbrances?
- vii. Directly beneficial to the responsible unit where it is being charged?
- viii. Reasonable? – (The quantity and quality of goods or services being purchased are sufficient to meet the University's identified need without exceeding it); and
- ix. In compliance with University conflict of interest provisions? – (Does an *Employee* derive private gain, or appear to derive private gain, as a result of the transaction? If yes, then the transaction violates the conflict of interest provisions in the [faculty handbook](#) or the University [Conflict of Interest policy](#).)

If any of the above questions receives a “no” response then the transaction is not appropriate for University funds. Evaluating the propriety of University expenses requires exercising a high degree of judgment and discernment.

The mere appearance of impropriety with a sensitive purchase may be just as serious and damaging as the existence of actual impropriety. Reports of impropriety based on appearances can undermine the public trust in our institution and its commitment to its educational mission. Accordingly, apparent impropriety should be evaluated with the same vigor as actual impropriety.

Fiscal Authority is the ultimate responsibility of the President, who may delegate that authority to the Vice Presidents. Vice Presidents may further delegate this responsibility to department heads, division directors, center and institute directors, for funds that they manage. All fund managers and those authorized to make expenditures are charged with management of funds in compliance with this policy and all expenditures are expected to be consistent with the operational needs of their respective units. Individual sensitive expenditures or a group of sensitive expenditures for a single event exceeding \$4,000 must be approved by the appropriate Vice President or Provost. [Appendix D](#) includes examples of appropriate and inappropriate expenditures under this Policy.

Policy 2-2 COMMITMENT VOUCHERS

1. Use of *Commitment Vouchers*
2. Dollar Limits and Requirements
3. University Purchase Orders
4. University Contracts
5. *After-the-Fact Purchases*
6. *Advance Payments*
7. Emergencies
8. Vendor Agreements
9. Purchase Order Terms and Conditions

2.2.1 Use of Commitment Vouchers

The University shall not disburse funds unless a Commitment Voucher or small purchase documentation supports the disbursement. With respect to proposed expenditures, the University shall review the *Commitment Voucher* to ensure the:

- Expenditure is authorized by the appropriate departmental authorities and required approvals have been received;
- Expenditure is reasonable and necessary;
- Prices or rates are fair and reasonable;
- Expenditure amount is within the available unencumbered balance;
- Requirements, respective performance obligations of the parties, and pricing are adequately defined;
- Terms and conditions represent a commercially reasonable allocation of risks between the parties; and
- Voucher complies with applicable statutes, executive orders, University procedures, and policies.

2.2.2 Dollar Limits and Requirements

[See Following Page for Table]

2.2.2 Dollar Limits and Requirements

<u>TYPE OF AGREEMENT</u>	<u>DOLLAR LIMIT</u>	<u>REQUIREMENTS</u>
	Total value of the commitment; Multi-year commitments, the total value is equal to the sum of the commitments for all contract years.	
Goods	\$5,000 and less	Small Purchase Documentation, including OneCard/Procurement Card, or any Commitment Voucher
Goods	Above \$5,000	PO or University Contract Create Encumbrance
Services	\$5,000 and less	Small Purchase Documentation or any Commitment Voucher
Services	Above \$5,000, but less than or equal to \$100,000	PO or University Contract Create Encumbrance
Services	Above \$100,000	University Contract Create Encumbrance
<i>Capital Construction / Controlled Maintenance</i>	N/A	See Financial Policy 4-1
Professional Services under C.R.S. §24-30-1401, et seq., including architectural, engineering, land surveying, industrial hygienist, and landscape architect services	Any dollar amount	University Contract Create Encumbrance
Real Property lease or License of land, buildings, or a portion thereof for term of more than 30 days	Any dollar amount	University Contract Create Encumbrance

2.2.2.1 Protecting the University's Interests. In addition to situations described in this Policy, University Contracts shall be used if other *Commitment Vouchers* do not adequately protect the University's interests. Refer questions regarding the proper form of *Commitment Voucher* to the AVP of Administration (Business Operations).

2.2.2.2 Exempt Disbursements. A *Commitment Voucher* is not required for the following types of disbursements regardless of the amount of funds disbursed:

- Calculated payments required under a program within the University (e.g., formula distributions, other distributions required by regulatory or statutory formulas);
- Copier rental agreements when the payment is based on cost per copy;
- Conference registrations;
- Insurance purchases;
- Internal services routinely provided by the University (e.g., internal printing or copying services, legal services provided by University Counsel);
- Intra-Department purchases;
- Moving expenses reimbursed to *Employees* (Financial Policy 2-8);
- Payroll and related disbursements (withholding, authorized benefits, etc.);
- Postal and other delivery charges, including messenger fees;
- University program payments to or on behalf of individuals qualified for the program's benefits (e.g., financial aid or tuition assistance);
- Subscriptions for journals, informational publications, or similar materials (electronic or hard copy) which do not include services;
- Utility hook ups and line extensions performed by a utility company;
- Water, gas, electric, and customary local and long-distance telephone services, including pagers and cell phones, which are routinely purchased by the University; and
- Other disbursements approved in writing by the Controller.

2.2.3 Purchase Orders

2.2.3.1 Standard Provisions. All Purchase Orders issued by the University shall include the University's standard Purchase Order Terms and Conditions.

2.2.3.2 Interagency Purchase Orders. In situations where the University is issuing a Purchase Order to another Colorado State agency or institution of higher education, the University may change or delete any standard provisions.

2.2.3.3 Revision of Standard Terms and Conditions. The University, when issuing a Purchase Order to a Party other than another Colorado State agency or institution of higher education, shall not change or delete the standard Purchase Order provisions unless it obtains prior written approval from the Director of Business Operations, except that:

No changes to the Public Contracts for Services or Public Contracts with Natural Persons provisions may be made without legal review and written approval by the AVP Administration (Business Operations.)

2.2.3.4 Services involving transfer of confidential information. All Purchase Orders issued by the University that involve the transfer of or access to confidential electronic

information shall comply with applicable University policies related to confidential information and IT security and with applicable laws and regulations related to confidential information.

2.2.4 University Contracts

The University shall use a University contract as the *Commitment Voucher* for all purchases or leases of goods and services, as required under Financial Policy 3-1. University contracts shall comply with requirements of Financial Policy 3-1.

2.2.5 After-the-Fact Purchases

2.2.5.1 Payment Prohibition. The University shall not make payments to a vendor when an *After-the-Fact Purchase* has occurred, unless the Controller has ratified the *After-the-Fact Purchase*.

2.2.5.2 Personal Liability. Under C.R.S. §24-30-202(3), any person(s) who knowingly incurs, orders, or approves for an obligation or makes a payment that creates an *After-the-Fact Purchase* may be personally liable for such obligation, unless the Controller ratifies the *After-the-Fact Purchase*.

2.2.5.3 Internal Controls. The University shall maintain an adequate system of internal controls to identify *After-the-Fact Purchases*, to prevent or minimize such violations, and to implement the provisions of this section.

2.2.5.4 Ratification. The Controller, in their sole discretion, may ratify the expenditure or obligation creating an *After-the-Fact Purchase*, if they find all of the following:

- The prices or rates are fair and reasonable;
- The amount of the expenditure is within the unencumbered balance;
- The University department provides a written explanation for why the *After-the-Fact Purchase* occurred;
- The parties did not act in bad faith or in a fraudulent manner; and
- The violation is not repeated or part of a consistent pattern of *After-the-Fact Purchases*.

2.2.6 Advance Payments

2.2.6.1 General Prohibition. University contracts and other *Commitment Vouchers* shall not provide for *Advance Payment* for goods supplied and/or services performed or for any other contractual obligation, except as permitted herein.

2.2.6.2 Waiver Process. The Controller may waive this requirement upon finding that *Advance Payment* is an established industry standard and/or provides a benefit to the University at least equal to the cost and risk of the *Advance Payment*.

2.2.6.3 Exceptions - Prior Approval Not Required. *Advance Payments* for a period of one year or less are permitted without prior approval of the Controller for the following:

- Advertising services and related goods;
- Charter Transportation;
- Construction permits;
- Federal grants awarded by the University to sub-grantees (in compliance with Federal requirements);
- Overnight travel accommodations such as hotels, motels, etc.;
- Information Technology (IT) service agreements (including internet access, systems and database access);
- Insurance premiums;
- Interagency Agreements;
- Licenses, including Licenses for software;
- Maintenance of office equipment or information technology (IT) (software and hardware) and other maintenance agreements;
- Membership dues;
- Personal Property Lease Agreements or rentals;
- Post Office/Safety Deposit Box rentals;
- Professional services provided by expert witnesses hired for litigation purposes, mediators, entertainers, and speakers;
- Real property leases, where the University is a tenant, and perpetual easements, if the entire interest is purchased and all attendant rights are transferred upon payment;
- Sponsored projects;
- Subscriptions for journals, informational publications or similar materials (electronic or hard copy), which do not include services;
- Tuition, registration, and fees charged for trainings, classes, conferences, and seminars;
- Utility hook ups and line extensions performed by a utility company; and
- Water rights purchases or temporary leases.

2.2.7 Emergencies

Disbursements for Emergency procurements may be made upon presentation of invoices, receipts, or other statements describing goods or services purchased and the amount to be paid. Goods and services necessary to respond to an Emergency may be procured immediately, without issuing a Commitment Voucher or obtaining a written waiver from the Director of Business Operations, where all of the following conditions are met:

- i. The nature of the threat requires an immediate response and there is insufficient time to issue a *Commitment Voucher*;
- ii. The procurement is authorized by the Director of Business Operations;
- iii. The procurement is made with such competition as is practicable under the circumstances;
- iv. A *Commitment Voucher* is executed as soon as possible to define future performance obligations, if any, of the vendor and University, as required by these Policies; and
- v. The department notifies the Director of Business Operations in writing, as soon as possible, of the circumstances, goods and services purchased, and the dollar amount of the commitment.

2.2.8 Vendor Agreements

2.2.8.1 Prohibited Use. A *Vendor Agreement* shall not be used in lieu of a University Purchase Order or contract, where one is required, absent the prior written approval of the Director of Business Operations. A *Vendor Agreement* is not required where a University Purchase Order or contract is not required, except as provided in this Policy.

2.2.8.2 Permitted Use. The Controller or the Director of Business Operations may authorize the use of *Vendor Agreements* up to \$5,000, if a University Contract or Purchase Order is not required.

2.2.9 Purchase Order Terms and Conditions See [Appendix B](#).

Policy 2-3 RECEIVING REPORTS

2.3.1 Purchase of Goods

For the purchase of goods that exceed \$5,000, receiving reports, or other sufficient documentation, shall be prepared for the goods received, showing actual quantities, any unsatisfactory condition, and compliance with specifications, prior to processing a voucher for payment.

2.3.2 Purchase of Services

For the purchase of services that exceed \$5,000, the Approving Authority shall ensure that the services provided were in accordance with terms and conditions of the commitment voucher prior to approving and submitting the invoice for payment to the Controller's Office.

Policy 2-4 PURCHASE DISCOUNTS

Payments shall be processed in a timely manner and made within the allowable discount period to ensure the University takes advantage of purchase discounts.

Policy 2-5 INTEREST PAYMENTS ON DELINQUENT PAYABLES

The University shall process invoices and other notices of liability as efficiently as possible in order to ensure payment in accordance with contractual or invoice terms, and in the absence of such terms, as soon as possible, or in accordance with statutory provisions. A delinquent payable may be assessed interest at the applicable statutory rate.

All written contracts and Purchase Orders shall provide for a reasonable time of payment considering the nature of the goods or services provided and review and approval required for payment. If no time for payment has been provided for in writing, interest on the unpaid balance may be calculated beginning with the forty-sixth (46) day after the liability for such payment arises under this Financial Policy. Interest shall be assessed at the applicable statutory rate or as stated in the contract or Purchase Order.

Payment of the interest liability incurred under this Financial Policy shall be processed on a separate voucher. The voucher shall be supported by a written claim, prepared by the University

or the vendor, referencing the delinquent payment, the number of days of interest to be paid, and the applicable interest rate. Such claims may be modified by the University to adjust payments to include such items as additional interest due for time required to process interest payments.

Policy 2-6 OFFICIAL FUNCTIONS AND TRAINING FUNCTIONS

Expenditure of funds for *Official Functions* and *Training Functions* shall be limited to reasonable and actual costs. The attendance of University *Employees* at *Official Functions* shall include only those individuals necessary to, or directly related to, the purpose of the function. In order to be paid, expenditures incurred for *Official Functions* must first receive prior approval by the appropriate *Approving Authority*.

Policy 2-7 MISCELLANEOUS COMPENSATION AND OTHER BENEFITS (PERQUISITES)

An *Employee* of the University shall not receive any type of benefit by virtue of their position unless such benefit is provided as part of a University benefits program or under this Procedure. No *Employee* shall have the authority to grant any *Perquisites*, nor shall any *Employee* receive any *Perquisite* except as provided by State statute, State Personnel Rules, general University benefits plans or programs, or under this Procedure. Monetary allowances shall not be given to *Employees* in lieu of benefits, except as provided by statute, provided under a benefits plan of the University, or approved by the Controller. Where University policies and State statutes provide allowances for maintenance and ordinary expenses incurred in the performance of duty, it is the responsibility of the Controller to establish specific expenses that are covered by the allowance so that the same expenses are not also directly reimbursed.

1. Honoraria
2. Events Sponsored by the University
3. Meals
4. Temporary Housing Provided to Visitors and Guests
5. Uniforms and Maintenance of Uniforms
6. Authorized Commuting
7. Memberships
8. Exceptions to Policy

2.7.1 Honoraria

For a faculty *Employee*, the requirements outlined in Section 6 of the [Faculty Handbook](#) shall be followed. A non-faculty *Employee* may earn an honorarium for a speaking engagement that: is outside of the scope of the non-faculty *Employee's* official duties and working hours, is non-recurring, and is commensurate with the nature of the event and the benefit to the external party making the payment. Honoraria may not be used to pay an *Employee* for services of any type rendered to the University. An honorarium payment made by an external party may be retained by the non-faculty *Employee* unless resources of the University were used in preparing the presentation, event scheduling, etc., or the engagement was during working hours and the non-faculty *Employee* did not take leave for that time. In the latter case, the honorarium should be turned over to the Controller's Office for proper recording. Any travel expenses related to the engagement would then be valid expenses for *Reimbursement* by the University.

2.7.2 Events Sponsored by the University

The University may provide a reasonable discount to *Employees* for events such as sporting events, seminars, instructional *Courses*, cultural events and the like, so long as the discount is fair and equitable among *Employees*.

Generally, such discounts shall be offered on a first-come, first-served basis; except, the University may reserve a specified and reasonable number of admissions to particular events to be distributed on a targeted basis for the purpose of public relations, alumni relations, or for the purpose of *Student* or *Employee* recruitment. The CFO must provide prior approval in writing of all plans for discounted admissions.

2.7.3 Meals

Meals prepared at University dining facilities are primarily for the benefit of the *Students* housed at these facilities; however, meals may be provided to University *Employees* working at these facilities and guests visiting these facilities. When a meal is provided to University *Employees* or guests, the amount charged for the meal shall at least recover the full cost of the meal. If an *Employee*, is required to eat at a University facility for the convenience of the University, the meal may be provided at no cost to the *Employee*; however, if a meal is provided, the value of the meal shall not be reported as taxable income to the *Employee*.

2.7.4 Temporary Housing Provided to Visitors and Guests

Where space is available, temporary housing may be provided to visitors and guests of the University in accordance with applicable University policy, if any. If the visitor or guest is to be charged for the temporary housing, the charge shall be set at an amount that will recover at least all direct and indirect costs, and be reasonable in comparison to the charge for similar housing, if such housing is available.

2.7.5 Uniforms and Maintenance of Uniforms

Uniforms required to be worn by University *Employees* and the necessary maintenance of these uniforms may be provided to the *Employee* by the University at no charge, at a reduced charge, or through a uniform allowance.

2.7.6 Authorized Commuting

University-owned motor vehicles may be used for commuting. The *Employee* must provide to their department head written justification for using a University-owned motor vehicle to commute and obtain prior written authorization from the department head. All approved use of University-owned motor vehicles must be reported to the Controller by the department head that authorized the use. Imputed income may be assessed and reported for the use of a University-owned vehicle in accordance with applicable Internal Revenue Service Code and regulations.

2.7.7 Memberships

The University may provide for memberships for *Employees* to professional organizations related to their employment responsibilities. Unless recommended by the appropriate Vice President/Provost and approved by the President, the University shall not provide individual

memberships for *Employees* to social clubs, country clubs, or other non-professional societies or clubs.

Policy 2-8 MOVING and RELOCATION ALLOWANCE

2.8.1 Background and Purpose

To specify the conditions under which the University may provide a moving and relocation allowance to a newly hired *Employee* or to an existing *Employee*.

2.8.2 Policy

A new *Employee* is eligible for a moving and relocation allowance if the *Employee's* offer letter states that a moving and relocation allowance will be paid, the offer letter contains a specified amount, and the criteria outlined in this policy is met.

An existing *Employee* may receive a moving and relocation allowance if the *Employee's* move is deemed to be for the benefit of the University and is pre-approved by the Provost or the appropriate Vice President.

Any moving and relocation allowance paid pursuant to this policy will be treated as non-PERA eligible taxable wages and compensation paid to the *Employee*. All appropriate federal and state taxes will be withheld at the time of payment.

If the *Employee* terminates their employment with the University within 12 months of receiving a moving and relocation allowance, any such allowance received under this policy shall be repaid to the University prior to the *Employee* receiving their final pay.

2.8.3 Criteria

The following criteria must be met in order for the new *Employee* to be eligible for a moving and relocation allowance:

2.8.3.1 Distance Test

The University must be at least 50 miles farther from the former home than the old main job location was from the former home. For example, if the *Employee's* former home was 35 miles from the *Employee's* former job location, then the University, not the *Employee's* new home, must be at least 85 miles from the *Employee's* former home.

2.8.4 Reimbursable Expenses

Reimbursement will be made for the reasonable expenses, as determined by the appropriate Mines' *Approving Authority*, for:

2.8.4.1 Pre-move house hunting trips.

One pre-move house-hunting trip, limited to four days for airfare (or mileage if driving a personal car), rental car and associated fuel charges, lodging, parking charges, and meals for the *Employee* and the *Employee's* spouse/partner. Pursuant to IRS regulations, the reimbursement will be included as taxable income and appropriate taxes

withheld. Meals for pre-house hunting trips will be reimbursed based on the University's established per diem rates and are not reimbursed for actual costs of the meals.

2.8.4.2 Travel by car.

If the new Employee uses their personal car(s) to transport themselves, members of household, or personal effects to the new home, Mines will reimburse the following:

- The Mines' standard mileage rate reimbursed for *Employee* travel; and
- Tolls and parking charges.

2.8.4.3 Household goods and personal effects.

The cost of:

- Packing, crating, and transporting household goods and personal effects and those of the members of the household from the former home to the new home. For purposes of moving expenses, the term "personal effects" includes, but is not limited to, movable personal property that the *Employee* owns and frequently uses.
- Shipping two cars and household pets to the new home.
- Moving the household goods and personal effects from a place other than the former home. The reimbursement is limited to the amount it would have cost to move them from the former home.

2.8.4.4 Storage expenses.

The cost of storing and insuring household goods and personal effects within a period of 30 consecutive days after the day the items are moved from the former home and before they are delivered to the new home.

2.8.4.5 Travel expenses.

The cost of transportation and lodging for the newly hired *Employee* and members of newly hired *Employee's* household while traveling from the former home to the new home, this includes expenses for the day of arrival. If an *Employee* uses their personal car to transport their self, members of household, or personal effects to the new home, Mines will reimburse the following:

- The Mines standard mileage rate reimbursed for *Employee* travel; and
- Tolls and parking charges.

The day of arrival is the day lodging is secure at the new place of residence, even if the lodging is on a temporary basis. This can include any lodging expenses incurred in the area of the former home within one day after the *Employee* could no longer live in the former home because the furniture had been moved. The members of the household do not have to travel together or at the same time. However, we will reimburse expenses for one trip per person.

2.8.5 Non-Reimbursable Expenses

The following costs related to the *Employee's* move or house-hunting trip will not be reimbursed:

- Any part of the purchase price of a new home;
- Motor Vehicle Licensing/tags;
- Cost of moving furniture purchased on the way to the new home;
- Driver's license;
- Expenses of selling a home;
- Expenses of entering into or breaking a lease;
- General repairs, general maintenance, insurance, or depreciation for a personal vehicle;
- Home improvements to help sell a former home;
- Loss on sale of a former home;
- Losses from disposing of memberships in clubs;
- Meals;
- Mortgage penalties;
- Real estate taxes;
- Refitting of carpet and draperies;
- Rental of furniture, clothes, or other personal items;
- Return trips to a former residence;
- Security deposits (including any given up due to the move); or
- Storage charges except those incurred in transit and for foreign moves.

Any other expenses explicitly not identified as reimbursable in this policy will not be eligible for reimbursement.

Policy 2-9 ALCOHOL PURCHASE

2.9.1 Purpose and Application

The purpose of this Policy is to set forth requirements to be followed in the purchase of alcohol for *Official University Business*. Please note that all members of the Mines community shall also adhere to the [Institutional Alcohol Policy](#), and when planning events with alcohol where *Students* will be present shall also adhere to the [Student Alcohol Policy & Procedures](#).

The alcohol purchase policy applies only to alcohol intended for consumption, whether purchased or donated.

Per Policy 2-1, the purchase of alcohol is permissible at the University depending upon the purpose of the event or activity for which it is being purchased. Alcohol may be purchased for any of the following purposes:

- *Official Functions*;
- *Meetings/conferences/continuing education courses* for which fees are charged; and/or
- *Fundraising Events*.

When alcohol is being purchased for one of these purposes, the purchase shall only be made from *Indexes* used to record discretionary *Gift funds*, consortium funds, or auxiliary funds related to conferences/continuing education courses.

2.9.2 Purchase of Alcohol while in Travel Status

The University shall not reimburse for alcohol that is purchased for personal consumption while *In Travel Status* unless such purchase meets the requirements of 2.9.1 above.

2.9.3 Quantity of Alcohol Purchased

Approved alcohol purchases shall be made in a quantity that accurately reflects and limits the estimated amount to be consumed at the event in order to prevent excessive consumption and minimize an accumulation of alcohol inventory on University premises.

2.9.4 Procurement and Accounting

All alcohol purchases, regardless of cost or quantity, must be made using purchase requisitions only. All alcohol purchased shall be charged to the appropriate *Index* using accounts 5529 – Student Activity, 5559 – Official Function, or 5560 – Conferences, as appropriate.

2.9.5 Required Approvals

Events where alcohol will be served/consumed require approval from the President, Provost, appropriate Vice President or respective Department Head. If the President, Provost, appropriate Vice President or respective Department Head is not available, the Executive Vice President for Administration and Operations shall have the authority to review and approve such requests.

Approval may be indicated by signature on purchase requisition form or via an electronic signature. Note: if purchasing alcohol for an event at which *Students* will be present, the prior approval of the [Dean of Students](#) is also required. See [Student Alcohol Policy](#).

2-10 OUT-OF-POCKET REIMBURSEMENTS

2.10.1 Receipt Thresholds

Receipts are not required for reimbursement of *Out-of-Pocket* expenses of \$50.00 or less that does not include the purchase of alcohol.

2.10.2 Timely Submission

The University shall reimburse *Employees* and *Students* for miscellaneous *Out-of-Pocket* expenses provided the request complies with University Financial Policies. Reimbursement requests for *Out-of-Pocket* expenses, not related to travel, received by the Controller's Office after 60 days of incurring the expense will be included on the *Employee's* W-2 as additional income. Reimbursement requests for *Out-of-Pocket* expenses, not related to travel, received by the Controller's Office later than 6 months of incurring the expense may not be reimbursed.

2.10.3 Reimbursement for Colorado Sales Tax

University *Employees* will not be reimbursed for Colorado sales tax paid on *Out-of-Pocket* expenses.

CHAPTER 3: CONTRACTS

Policy 3-1 UNIVERSITY CONTRACTS

1. Categories
2. Policy
3. Content of University Contracts
4. Approved University Contract Forms
5. University Contract Approvals
6. University Contract Legal Review
7. Business Operations Review and Approval
8. Encumbrances
9. Monitoring of University Contracts
10. Independent Contractor Relationship
11. Exceptions to Fiscal Policy 3-1
12. Special Provisions

3.1 CATEGORIES

3.1.1 Expenditure Contracts

- Capital Construction Contracts;
- Employee Voluntary Separation Agreements;
- Fund Management Services Agreements;
- Goods Contracts;
- Information Technology Contracts;
- Investment Advisory Services Agreements;
- Personal Property Leases/Licenses - University as Lessee or Licensee;
- Personal Services Contracts;
- Personal Services Review Exempted Contracts;
- Professional Services Contracts;
- Real Property Leases/Licenses – University as Tenant or Licensee;
- Real Property Purchase Agreements – University as Buyer;
- Settlement Agreements;
- Energy Performance Contracts;
- Solar Host Agreements;
- Power Purchase Agreements.

3.1.2 Revenue Contracts

- Franchise Agreements;
- Real Property Leases/Licenses – University as Landlord or Licensor;
- Real Property Purchase Agreements – University as Seller;
- Fee for Service Contracts;
- Facilities Use Agreements.

3.1.3 Other Contract Types

- Debt Contracts;
- Grant Contracts;
- Interagency Agreements;
- Intergovernmental Agreements;
- Loan Contracts;
- No Cost/Non-Cash Contracts;
- Price Agreements;
- Sale of Securities Agreements;
- Sponsored Project Agreements;
- Donation Agreements;
- Utilities Agreements.

3.2 POLICY

A University contract that meets the form, content, and approval requirements described in this Chapter 3 shall constitute a *Commitment Voucher* for purposes of University Financial Policy 2-2.

3.3 CONTENT OF UNIVERSITY CONTRACTS

3.3.1 Expenditure Contracts, Debt Contracts, and Price Agreements

The form and content requirements of this §3.1 shall apply to all Expenditure Contracts, Debt Contracts, and Price Agreements except as limited or excluded herein. This section shall not apply to Real Property Leases, Settlement Agreements, Voluntary Separation Agreements, Insurance Coverage Agreements, or Health Benefits Agreements (including dental, vision, pharmacy, and wellness benefits).

3.3.1.1 General Provisions

The following General Provisions shall be included in all contracts covered by this §3.1:

- Identification of the parties;
- Statement of work;
- Payment terms, including maximum dollar amount;
- Performance period;
- General terms and conditions;
- Special Provisions (see [Appendix C](#) to this Financial Policy); and
- Signature page.

3.3.1.2 Real Property Purchases (University as Buyer), Leases (University as Tenant) and Licenses (University as licensee)

University Contracts for the purchase, lease, or license of real property shall contain the following provisions:

- 3.3.1.2.1. If the University is the buyer, tenant, or licensee, the contract shall include the following Special Provisions:

- Controller or Controller's Delegate Approval;
- Funds Availability; and
- Vendor Offset.

3.3.1.2.2. If the University is the buyer, tenant, or licensee, the contract may include the other Special Provisions, at the discretion of the University.

3.3.1.2.3. If the University is the tenant or licensee, the contract shall include provisions specifying cancellation rights if the real property leased or licensed is destroyed by fire and/or becomes subject to eminent domain.

3.3.1.3 Capital Construction Contracts, Solar Host Contracts, and Power Purchase Agreements

[See Financial Policy 4-1](#), "Capital Construction Administration." See also approved contract forms, available on the website of the Office of the State Architect. For Solar Host Contracts, Energy Performance Contracts, and Power Purchase Agreements see the approved contract forms on the website of the Governor's Energy Office.

3.3.2 Content for other Contract Types

3.3.2.1 Interagency Agreements

All interagency agreements, not related to sponsored research, require approval of the University's Office of Business Operations. Each interagency agreement shall include, at a minimum, the following elements:

- Identification of the parties;
- Statement of work;
- Statement of consideration (if applicable);
- Payment and other performance terms; and
- Definition of breach and remedies.

3.3.2.2 Intergovernmental Agreements

3.3.2.2.1 Special Provisions. The University, when contracting with governmental entities outside of the University, shall not agree to modify the Special Provision requiring the governance of Colorado law; however, if requested, the University may agree to strike the Choice of Law Special Provision, resulting in contractual silence as to governing law. Any other change to the Choice of Law Special Provision shall require the prior written approval of the University's Contracts Office and a reviewing attorney where appropriate.

3.3.2.2.2 Federal Government Contracts. The University's Office of Business Operations shall review all intergovernmental agreements with any agency of the federal government not related to sponsored research.

3.3.2.2.3 Sponsored Project Agreements. See applicable University policies governing sponsored projects.

3.3.3 Provisions for All Contract Types

3.3.3.1 Indemnification by the University Prohibited

Unless specifically authorized by statute, the University shall not indemnify and/or hold harmless another Party against any liability incurred as a result of the acts or omissions of the University or its officers, employees or agents. See [Constitution of Colorado](#), Article V, §33 and Article XI, §1.

3.3.3.2 Limitation of Liability

3.3.3.2.1 Limitation of Vendor's Liability - Bodily Injury and Property Damage.

The University shall not limit the vendor's liability for claims or damages, including consequential damages, arising out of bodily injury (including death) and damage to tangible property, if tangible risk is inherent in the nature of the contract. If a determination is made that no tangible risk is inherent in the nature of the contract this decision must be supported in writing by the University Risk Manager.

3.3.3.2.2 Limitation of Vendor's Liability - Other Types of Damages.

The University may accept commercially reasonable limitations of liability and/or remedy provisions, or the exclusion of consequential damages, if the benefits are deemed to outweigh the risks and this determination is documented in the contract file. Such action requires approval of the University Risk Manager or such other individuals specified in a delegation letter from the University Risk Manager.

3.4 APPROVED UNIVERSITY CONTRACT FORMS

All University Expenditure Contracts shall be in a form approved by the Director of Business Operations. The following contract forms are approved and additional forms may be approved at their sole discretion.

3.4.1 Capital Construction Contracts

See [Financial Policy 4-1](#), "Capital Construction Administration". See also approved contract forms available on the website of the Office of the State Architect.

3.4.2 Model Contracts

The Director of Business Operations, in consultation with the University Counsel, may adopt model contracts, as appropriate.

3.4.3 Contract Amendments

All modifications to a University Contract shall be made by a formal written amendment signed by the parties to the contract and approved the Director of Business Operations and other parties as this policy requires. A contract cannot be amended or extended (revived) after the contract term has expired.

3.4.4 Real Property Lease Agreements

Lease agreements involving real property shall be in a form approved by and set forth on the website of the Office of the State Architect, except for leases exempted by statute (see section 3.5.8 of this Financial Policy).

3.4.5 Special Provisions

All University (a) Expenditure Contracts and (b) Grant Contracts where the University is the grantor and provides funds from University, federal government, or other sources to the other Party, (c) Intergovernmental Agreements where the University provides funds to another governmental entity, (d) Debt Contracts, (e) Price Agreements, and (f) Capital Construction Contracts shall contain the Special Provisions. See Section 3.13 of this Financial Policy. No modification shall be made to a Special Provision without the prior written approval of the Director of Business Operations in consultation with a Reviewing Attorney, except as otherwise expressly provided herein.

3.4.6 Waived Contracts

Where the University will enter into multiple contracts containing identical provisions, except for the date, contractor and consideration amount, the Director of Business Operations may waive any requirement as to contract format.

3.4.7 Other contract forms

From time-to-time, the AVP of Administration (Business Operations) may approve other contract forms.

3.5 UNIVERSITY CONTRACT APPROVALS

The President and the Board of Trustees of the Colorado School of Mines have final authority for all University Contracts. No person may enter into a University contract on behalf of the University without delegation from the Board of Trustees through the President and any University contract executed without proper delegation shall be deemed null and void unless the President or appropriate delegate ratifies it. The University shall obtain all required approvals and signatures as per [Board Policy 10.2](#) and retain documentation thereof in its files for the period specified in the applicable University document retention policy.

No Expenditure Contract is valid unless it has been approved as required by §3.5. Any person who causes a contract to be executed in contravention to §3.5 may be personally liable for any obligation incurred thereby. C.R.S. §24-30-202(3).

Additional approvals are required as follows:

3.5.1 Capital Construction and Controlled Maintenance Contracts

Require the approval of the State Architect or delegate, unless otherwise exempted by statute or waived by the State Architect. See C.R.S. §24-30-1303(1)(d).

3.5.2 Central Services Contracts

Require the approval of the AVP of Administration (Business Operations.)

3.5.3 Contingency-Based Contracts

Require the approval of the CFO and any other approvals deemed necessary by the CFO. See C.R.S. §24-17-204.

3.5.4 Debt Collection Services Contracts

Require the approval of the Controller. See C.R.S. §24-30-202.4.

3.5.5 Financial Information Contracts

Require the approval of the Controller. These include anything used to record financial transactions and information, develop financial reports, or prepare financial statements.

3.5.6 Legal Services Contracts

Require the approval of the President and University Counsel, on behalf of the State Attorney General or delegate.

3.5.7 Personal Services Contracts

Require the approval of the Associate Vice President for Human Resources or delegate as provided by C.R.S. §24-50-501, et seq.

3.5.8 Real Property Contracts

Require the approval of the State Architect/Director of Real Estate Programs, or delegate, unless otherwise exempted by statute. These include leases where the University is the tenant, easements, and rights-of-way contracts.

3.5.9 Utility Cost-Savings Contracts

Require the approval of the State Personnel Director or delegate except where exempted by standard form through the Colorado Governor's Energy Office. See C.R.S. §24-30-2003(1)(b).

3.6 UNIVERSITY CONTRACT LEGAL REVIEW

At the discretion of the University's Contract Office, any University Contract may be subject to legal review by and approval of University Counsel. Any contract with a total value of more than \$50,000; that requires the disclosure of sensitive or confidential information held by the University; that has a material risk to the University; that contains complex legal issues; or, that is a non-standard template must be reviewed by University Counsel. In accordance with Board of Trustees policy 10.2 Section III.J, any doubt about the requirement for legal review should be resolved in favor of seeking legal review.

3.6.1 Mandatory Review

Legal review shall include, without limitation, scrutiny of contract provisions to ensure that the following requirements are met:

- Compliance with the United States and Colorado Constitutions, federal and state statutes, state regulations, and applicable University policies and procedures;
- Authority of the University representative(s);
- All essential elements of a legally binding contract;

- A statement of work or comparable provisions and business or commercial terms, which are sufficiently clear and definite, under the applicable circumstances, to be enforceable; and
- Required signatures.

3.6.2 Discretionary Review

At the discretion of the University's Contract Office and/or the Office of Research Administration and Legal Counsel, legal review also may include:

- Review and analysis of the significant risks and issues of a particular transaction;
- Inquiry into the availability of specific remedies; and
- Review of compliance with grant conditions, federal funding requirements, and required assurances, where provided by the University.

3.7 BUSINESS OPERATIONS REVIEW AND APPROVAL

The Office of Business Operations, which includes Contracts, Risk Management, and Purchasing, must review all expenditure contracts, except Capital Construction Contracts. The Office of Business Operations and the University's Risk Manager must review any contract, regardless of contract type, with a total value exceeding \$5,000 or that has a potential material risk to the University.

3.7.1 Mandatory Review

3.7.1.1 Prices or rates are fair and reasonable and in accordance with state law and administrative procedures;

3.7.1.2 Form and Content of the contract are sufficient and appropriate for the parties and subject matter under applicable state and federal laws, and University policies; and

3.7.1.3 Risk of the contract is outweighed by the contract's benefits.

3.7.2 Discretionary Review

The University's Risk Manager may review and approve any contract as requested by the Office of Legal Counsel, the Controller's Office, the Office of Research Administration, Human Resources, or any other office initiating a contract.

3.8 ENCUMBRANCES

The University shall encumber Expenditure Contracts in accordance with University accounting and financial policies.

3.9 MONITORING OF STATE CONTRACTS

The University is exempt from the requirements of §24-102-205, §24-103.5, and §24-102-105, C.R.S.

3.10 INDEPENDENT CONTRACTOR RELATIONSHIP

The University shall take care in maintaining the distinctions between services performed by persons who are *Employees* of the University and services performed by independent contractors, and their employees, agents and representatives, pursuant to a Personal Services Contract. The University's responsibilities and obligations with respect to employee/employer arrangements differ from its responsibilities and obligations with respect to independent contractors. The University may be liable to a Party for the actions of its employees, whereas independent contractors and their employees, agents, and representatives are liable for their own actions. The University is responsible for benefits for its employees, whereas independent contractors are responsible for social security taxes and benefits of their employees. The University shall follow guidelines issued by the Internal Revenue Service, the Colorado Division of Human Resources, Colorado statutes, and opinions of the State Attorney General in determining whether an individual is an employee or independent contractor.

3.11 EXCEPTIONS

3.11.1 Personal Services Contracts

This Financial Policy does not apply to University Contracts for personal services paid through an authorized University payroll system, which are exempted from the State Personnel System pursuant to C.R.S. §24-50-135.

3.12 SPECIAL PROVISIONS

See [Appendix C](#). These Special Provisions apply to all contracts except where noted in *italics*.

CHAPTER 4: CAPITAL CONSTRUCTION

Policy 4-1 CAPITAL CONSTRUCTION ADMINISTRATION

4.1.1 Thresholds for Contracts versus Purchase Orders

- i. Formal contracts shall be required for transactions in excess of \$100,000 including construction services or installation of fixed *Equipment* unless previous approval has been obtained from the Director of the State Buildings Program to use a purchase order.
- ii. Purchases of fixed *Equipment* that do not require installation services may be purchased with a purchase order.
- iii. A purchase order may be used for construction not exceeding \$100,000 if the Director of State Buildings Program or a delegate thereof approves the purchase order. Such approval by the Director of State Buildings Program or a delegate shall require compliance with approved building codes and signify compliance with bonding requirements in C.R.S. §38-26-106 and §24-105-201.

4.1.2 Modifications to Thresholds

All dollar thresholds or amounts contained in this Chapter 4 may be modified, at the request of the Director of Capital Planning and Construction, at any time that the Director of State Buildings Programs authorizes or adopts different thresholds or amounts.

Policy 4-2 STATE CAPITAL CONSTRUCTION PROJECTS

4.2.1 The State Capital Construction Fund

This fund was established to provide a source for appropriations to Institutions of Higher Education to acquire and maintain their physical facilities. The fund has special requirements that must be followed by the University when it receives appropriations from the fund.

All *State Capital Construction Projects* shall be used for their intended purpose and in compliance with C.R.S. §24-75-301, et seq. The University shall not use the *State Capital Construction Fund* to pay or reimburse University *Employees* for construction management, administrative activities, direct labor performed, or any other expense outside the scope of the *State Capital Construction Project* or *State Controlled Maintenance Project*.

Unless otherwise stated by the General Assembly as part of the capital appropriation, this does not apply to projects that are to be constructed solely from cash funds held by the University or federal funds made available for the project or a combination of cash funds and federal funds.

Contracts funded by the *State Capital Construction Fund* shall be executed and the funds encumbered within the time limits established by C.R.S. §24-30-1404. If the University determines that the deadlines imposed by the statute cannot be met, the University may

request the Capital Development Committee to recommend to the State Controller that the deadline be waived.

4.2.2 State Capital Construction Project Retainage

The University shall withhold retainage for all *State Capital Construction Projects* and *State Controlled Maintenance Projects* where the total amount of the contract exceeds the limit established by C.R.S. §24-91-103. The retainage shall be in the form of monies withheld from the contractor or in any other form authorized by statute and acceptable to the University.

The University shall release the full amount of the retainage only when the contract has been satisfactorily completed and accepted, and there has been publication of the "Notice of Final Settlement" in accordance with C.R.S. §38-26-107, and there are no material outstanding claims against the project. If outstanding claims exist, retainage shall be held in an amount equal to 125% of outstanding claims until all such claims are satisfied.

AUTHORITIES:

- C.R.S. §24-30-1301 (State Buildings Division)
- C.R.S. §24-30-1404 (Contracts)
- C.R.S. §24-75-301-306 (State Capital Construction Fund)
- C.R.S. §24-91-101-110 (Construction Contracts with Public Entities)
- C.R.S. §24-92-101-114 (Construction Bidding for Public Projects)
- C.R.S. §38-26-106 (Contractor Bonds)
- C.R.S. §38-26-107 (Supplier Claims)

CHAPTER 5: TRAVEL

1. Policy
2. Travel Authorization
3. *Travel Advance*
4. Allowable Expenses While In Travel Status
5. Non-Allowable Travel Expenses While in Travel Status
6. Certification and Approval
7. Reimbursement Requirements
8. Payment of Travel Expenses
9. Special Situations

5.1 POLICY

This Policy sets forth allowable travel expenses that *Employees* and *Students* may be reimbursed for while in *Travel Status*. This Policy shall also be used to reimburse *Non-employees* for travel related expenses. This policy applies regardless of the sources of funding used to pay for the travel. All *Employee* travel, including group travel for athletics and group travel for *Student* accompanied by an *Employee*, that are required to use the *Travel and Expense Management System (TEM)*, shall be processed through the *TEM*. All *Student* travel, not accompanied by an *Employee* and all *Employee* travel that are not required to use *TEM* shall be processed using the University's paper based Travel Authorization/Travel Expense (TA/TE) Report process.

5.1.1 Reimbursement

A traveler may be reimbursed for travel expenses under this Policy only if the traveler is in *Travel Status* or meets the criteria in one of the special situations described in section 5.9 of this Policy and the travel expenses meet all of the following criteria:

- i. Is for official Mines' Business - travel shall be for the benefit of Mines regardless of the funding source;
- ii. Are reasonable under the circumstances;
- iii. Is only for the time period necessary;
- iv. Is completed using the most economical means available;
- v. Is supported by adequate documentation and is approved by the appropriate *Approving Authority* as required by section 5.1.3 of this Policy; and
- vi. *Cash Advances* and *Travel Authorization/Expense Reports* are settled as required by Section 5.7 of this Policy.

5.1.2 Traveler's Responsibilities

A Traveler shall:

- i. Be responsible for controlling expenses at a reasonable level and ensuring that Mines receives adequate value for the amounts expended;
- ii. Identify expenses incurred for the benefit of Mines while in *Travel Status* and request an advance or *Reimbursement* for only those expenses;
- iii. Submit necessary and adequate documentation of the travel expenses to the *Approving Authority*;

- iv. Prepare and submit *Travel Authorization/Expense Reports* in accordance with section 5.7 of this Policy; and
- v. For *Employee* travel, prior authorization is required by the *Approving Authority* and the *Employee* shall complete a *Travel Authorization/Expense Report*.

5.1.3 Approving Authority's Responsibilities

The *Approving Authority* shall:

- i. Be a responsible administrator assigned responsibility to authorize travel expenditures for an *Organizational Unit*;
- ii. Review and approve the expenses claimed by a traveler and authorize a *Cash Advance* or *Reimbursement* for only those expenses incurred for *Official University Business*;
- iii. Ensure that all costs claimed for *Reimbursement* by a traveler comply with Financial Policy 2-1;
- iv. At their discretion, require documentation, in addition to the documentation prescribed by this Financial Policy, deemed necessary or advisable by the *Approving Authority* in connection with the authorization and approval of expenses; and
- v. Not approve expenses for themselves or for an individual to whom they report to either directly or indirectly.

5.2 TRAVEL AUTHORIZATION

The *Employee* and *Student* traveler shall obtain prior authorization for all *Official University Business* travel from the appropriate *Approving Authority*. A *Travel Authorization Report* shall be used when the traveler is in *Travel Status*. If the appropriate prior authorization is not obtained, the traveler may not be reimbursed for the travel.

5.2.1 Travel Authorization When Charged to Federal Sponsored Research

The *Employee* and *Student* traveler shall obtain prior authorization for all *Official University Business* travel from the appropriate *Approving Authority*, including the Office of Research Administration, for all international travel charged to a federal sponsored research. The *Employee* traveler shall complete a *Travel Authorization/Expense Report* prior to travel. If the appropriate prior authorization per this section is not obtained, the traveler may not be reimbursed for the travel.

5.3 TRAVEL ADVANCE

5.3.1 Eligibility

Under certain circumstances, *Employee* and *Student* travelers may receive a *Cash Advance* to support out of pocket related expenses associated while in *Travel Status* on *Official University Business*. An *Employee* or *Student* may receive a *Cash Advance* for:

- Individual travel; or
- Group travel involving Athletics or *Students*.

5.3.2 Amount of Advance

The amount of the *Cash Advance* for an individual travel shall be computed using the applicable per diem rates and other allowable estimated out of pocket amounts. A *Cash Advance* for individual travel shall not exceed \$1,500 without prior approval by the University Controller.

The amount of a *Cash Advance* for group travel is limited to \$1,500 times the number of travelers and the *Cash Advance* for group travel shall only be given to an *Employee* who is going on the trip. An *Employee* receiving a group *Cash Advance* has the same responsibilities as if that *Cash Advance* had been received for individual travel.

5.3.3 Approval

Cash Advances provided to an *Employee* requires completion of a *Travel Authorization/Expense Report*.

5.3.4 Settlement of Advance

Upon completion of travel, a traveler shall settle their *Cash Advance* by following the requirements for timing, content, and receipts set forth in section 5.7 of this Policy. The traveler shall reimburse the University at the time the completed and approved *Travel Authorization/Expense Report* is submitted to the Controller's Office to the extent that the amount of a *Cash Advance* received by the traveler pursuant to this section exceeds the actual expenditures for reimbursable items in section 5.4 of this Policy.

5.4 ALLOWABLE EXPENSES WHILE IN TRAVEL STATUS

A traveler in *Travel Status* shall be reimbursed for the items set forth in this section, if all other requirements of section 5.1.1 of this Policy are met.

5.4.1 Lodging

The *Approving Authority* shall determine reasonable costs of the lodging based on the business needs of the traveler and the individual *Official University Business* trip. The traveler shall be reimbursed for the actual cost of reasonable lodging and shall submit itemized receipts as documentation of the expense. When a double hotel room is occupied by the business traveler and others whose attendance does not constitute a business purpose, the University will pay the single room rate, if applicable. Single-room occupancy rate must be indicated on lodging receipt.

5.4.2 Meals and Incidental Expenses

Any meals reimbursed while in *Travel Status* shall be reimbursed using the University's approved per diem amounts. If a meal is included in a conference fee, is provided with the cost of lodging, or through some other means, a traveler shall not request *Reimbursement* for the per diem amount related to the provided meal. The University's approved per diem amounts are based on the location of the traveler for each day of the trip.

5.4.2.1 Meals for Days Traveler Departs and Returns

Except for the first and last day of travel, a traveler may claim up to the applicable daily per diem for each full day of travel. Expenses on the first day of travel will be reimbursed based on 75% of the destination city's per diem rate and on the last day based on 75% of the departing city's per diem rate. Under no circumstance shall a traveler request *Reimbursement* for more than the applicable per diem rate.

5.4.2.2 Group Meals for Athletics and Academic Field Sessions

Meals incurred while in *Travel Status* for athletic teams or academic field sessions where a group meal is provided to the *Student/athletes* may include both the *Employee* and the *Student/athletes*. Such meals shall be based on actual costs incurred for the meal. *Employees'* whose meals are provided as part of the group meal are not eligible for a per diem *Reimbursement* for those meals.

5.4.3 Transportation

A traveler shall be reimbursed only for the most cost beneficial method of transportation available to the traveler that satisfactorily accomplishes *Official University Business* as determined by the *Approving Authority*. *Reimbursement* shall be limited to the actual cost of commercial transportation. A traveler requesting *Reimbursement* shall submit receipts in accordance with section 5.7.4 of this Policy.

5.4.3.1 Rental Vehicles - Employees

The *Employee* shall be reimbursed for the most cost beneficial rental car needed to accomplish *Official University Business* as determined by the *Approving Authority*. To mitigate risk, travelers shall only rent vehicles with the *OneCard* or the University issued travel individual liability card and shall use the approved car rental companies and appropriate contract code found on the Controller's Office web site, when available. Itemized receipts from the rental car agency shall be required for *Reimbursement* in accordance with section 5.7.3 of this Policy. For all domestic rentals of vehicles, the traveler shall decline all insurance. CDW (Collision Damage Waiver)/LDW (Loss Damage Waiver)/theft insurance is always provided at no cost to traveler by the rental agency when renting with the University's *OneCard* or University issued travel individual liability card from contract rental agencies using the appropriate contract code in the U.S. Therefore, this insurance should always be declined. If an approved car rental company is not available, the traveler may rent a vehicle from any available car rental agency and may purchase and be reimbursed for the additional insurance. The traveler is required to certify that an approved car rental agency is not available. For International rental of vehicles, the traveler should purchase additional rental vehicle insurance.

5.4.3.2 Rental Vehicles – Non-employees

The *Non-Employee* shall be reimbursed for the most cost beneficial rental car needed to accomplish *Official University Business* as determined by the *Approving Authority*. The *Organizational Unit* is encouraged to have the *Non-Employee* use an approved car

rental company in order to receive reduced rates. As the *Non-Employee* is not covered by the additional insurance coverage, the additional insurance can be purchased and will be reimbursed.

5.4.3.3 Mileage for Personal Vehicles

A traveler shall be allowed mileage *Reimbursement* for each mile actually and necessarily traveled on *Official University Business* using the traveler's personal vehicle at the statutory rate provided in *TEM* or on the Controller's Office web site at the time of travel. All requests for mileage *Reimbursement* shall be submitted on a *Travel Authorization/Expense Report* when in travel status or on a *Voucher Request* for same day travel. A traveler normally shall be reimbursed at the mileage rate designated for two-wheel drive vehicles. A traveler shall be reimbursed at the mileage rate designated for four-wheel drive vehicles only when the use of four-wheel drive is necessary because of road, terrain, or adverse weather conditions and requires prior approval by the *Approving Authority*. Prior approval obtained for four-wheel drive shall be submitted with the *Travel Authorization/Expense Report*. Allowable miles are those driven in excess of the normal round-trip commute to primary work location—regardless of type of transportation used for normal commute. Mileage to/from the traveler's destination(s) that are 100 or more miles shall be documented using an Internet mapping tool (e.g. MapQuest) and included with the *Travel Authorization/Expense Report*.

5.4.3.4 Travel to and from Denver International Airport (DIA)

For travel to and from DIA, the traveler shall be reimbursed a maximum of 40 miles one way/80 miles round trip. The traveler does not need to provide documentation of the actual miles driven. For travel to and from DIA on the weekends, the traveler shall be reimbursed for the actual miles traveled between the traveler's residence and the airport without the requirement to deduct the traveler's base commuting miles. The traveler shall provide documentation of the actual miles driven if the total miles per round trip are 100 or more.

5.4.3.5 Airfare

All travel shall be completed using the most economical means available that will satisfactorily accomplish *Official University Business* using any appropriate source of funds. The traveler may request *Reimbursement* for business class travel for international flights when the travel is more than 9 hours of non-stop air travel and requires prior approval from the *Approving Authority*. The traveler may request *Reimbursement* for economy plus travel when the travel is more than 3 hours non-stop air travel and required prior approval from the *Approving Authority*. Seat charges or early boarding charges less than or equal to amounts established in the travel FAQ located on the Controller's Office website are allowable.

Travelers are not required to use a travel agency to book airline tickets if the total airfare is less than \$1,000. A University approved travel agency is required to be used if the total airfare is \$1,000 or greater unless the traveler can obtain a lower airfare by booking the travel on their own. The traveler must provide an airfare quote obtained from an approved travel agency at the same time the airfare is booked to document that a lower airfare was obtained. If appropriate documentation is not provided, the traveler may not

be reimbursed for the airfare. Travelers who fly internationally on a frequent basis that are very knowledgeable of the federal airline travel requirements can request an exemption from the requirement to use an approved travel agency. If a traveler chooses to book their own airfare, the traveler will not be reimbursed for the cost of the airfare until the travel is completed. If a traveler chooses to book their own airfare and for whatever reason, the trip is delayed, postponed, or canceled and airfare credit is received, the traveler will not be reimbursed for the airfare or any associated change fees until the airfare credit is used for University Business at a later time. When using a University approved travel agency, the airfare shall be charged to the University's corporate liability card on file with the travel agency. Airline change fees are reimbursable to the traveler only if travel plans are changed for *Official University Business* reasons. The business purpose for the change in travel plans shall be included on the *Travel Authorization/Expense Report*. Any cancellation or change fees are the responsibility of the traveler if the charges are a result of a personal nature.

5.4.3.5.1 Airfare Charged to Federally Sponsored Research Projects

For airfare charged to federally sponsored research projects, the traveler shall comply with the following restrictions in addition to the restrictions identified above:

- Compliance with the Fly America Act found at 41 CFR Parts 301-10.131 through 301-10.143 and Open Skies Agreement for all international travel.
- Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:
 - (i) Require circuitous routing;
 - (ii) Require travel during unreasonable hours;
 - (iii) Excessively prolong travel;
 - (iv) Result in additional costs that would offset the transportation savings; or
 - (v) Offer accommodations not reasonably adequate for the traveler's medical needs. The non-Federal entity must justify and document these conditions on a case-by-case basis in order for the use of first-class or business-class airfare to be allowable in such cases.

5.4.3.5.2 Baggage Fees

A traveler may be reimbursed for reasonable baggage fees if not included as part of the airfare. Charges for excess baggage are reimbursable only when the traveler is transporting University materials or when the extended period of travel necessitates excess personal baggage. A traveler requesting reimbursement shall submit receipts in accordance with section 5.7.3 of this Policy.

5.4.4 Gratuities/Tips

A traveler cannot claim *Gratuities/Tips* as a separate item on a *Travel Authorization/Expense Report*. *Gratuities/Tips* paid to porters, baggage carriers, bellhops, hotel maids, and skycaps for airport check-in are included as part of the per diem and incidental expenses rates and are therefore non-reimbursable. *Gratuities/Tips* paid in conjunction with meals are included in the per diem rates and are therefore non-reimbursable. *Gratuities/Tips* paid in connection with ground transportation expenses should be included as part of these expenses and shall not exceed 20% of the associated fare.

5.4.5 Other Allowable Expenses While In Travel Status

In addition to lodging, meals, and transportation, the actual expenses identified below, incurred as a part of approved travel, are allowable if necessary to complete *Official University Business*. See Section 5.7 for receipt requirements.

- Camping site fees paid for a commercial camp ground or a state or national park;
- Commercial ground transportation, including *Gratuities/Tips*;
- Fees to obtain a visa/immunizations if required as part of travel for *Official University Business*;
- Fees to purchase traveler's checks or transaction charges for the use of the University's OneCard or the University issued travel individual liability card;
- Foreign currency exchange rate fees. Foreign currency transactions shall be reimbursed at the USD equivalent rate in place as of the first Monday of the travel;
- Laundry/Cleaning services – if the traveler is on *Official University Business* for six days or more;
- Parking fees;
- Telephone, fax, internet access, and other similar miscellaneous business expenses incurred for *Official University Business*; and
- Toll road charges.

5.4.6 Non-Business Days

Weekends, holidays, and other necessary standby days may be counted as business days only if they fall between business travel days. If they are at the end of a traveler's business activity and the traveler remains at the business destination for non-business reasons, *Reimbursement* is not allowed for the additional days.

[Summary of Allowable Expenses in Travel Status on next page]

5.4.7 Summary of Allowable Expenses While In Travel Status

Rate	Rate	Receipt Required?
Lodging	Actual	Yes
Meals and Incidental Expenses (M&IE)	Per Diem Rate	No
Commercial ground Transportation (including <i>Gratuities/Tips</i>)	Actual	Yes, if \$50 or higher
Rental Vehicle	Actual	Yes
Mileage for Personal Vehicles	See Controller's Office web site	No
Airfare	Actual	Yes
Other Allowable Expenses	Actual	Yes, if \$50 or higher
<i>Gratuities/Tips</i> Included as part of M&EI	Not Allowed	N/A

5.4.8 Appropriate Source of Funds

Allowable expenses under this section shall be charged to the most appropriate *Index* in the finance system. If otherwise allowable expenses are determined to be unallowable using a particular *Index*, such as sponsored research projects or gift funds, the *Employee* and *Approving Official* shall identify other appropriate *Index(s)* to charge the expenses.

5.5 UNALLOWABLE TRAVEL EXPENSES WHILE IN TRAVEL STATUS

A traveler shall not be reimbursed for the following expenses while in *Travel Status*:

- Alcoholic beverages;
- *Entertainment expenses*;
- Personal expenses incurred during travel that are primarily for the benefit of the traveler and not directly related to *Official University Business*;
- Political activities;
- Traffic fines and parking tickets; and
- Certain insurance coverage - The cost of additional or other types of coverage shall not be reimbursed, including without limitation, expenses paid by a traveler for the following:
 - Collision damage waiver or loss damage waiver for rental vehicles, unless it is for international travel;
 - Supplemental liability insurance on rental vehicles;
 - Additional liability insurance for rental vehicles;
 - Personal accident insurance on rental vehicles;
 - Personal travel insurance;
 - Trip cancellation insurance; and
 - Supplemental life insurance for airline or common carrier travel.

5.6 CERTIFICATION AND APPROVAL

5.6.1 Approval

For all travel *Reimbursements*, the *Approving Authority* shall approve the *Travel Authorization/Expense Report*. By submitting the *Travel Authorization/Expense Report* for approval, the traveler is certifying the following:

"I certify that the statements in this report are true and correct in all respects; that payment of the amounts claimed herein has not and will not be reimbursed to me from any other source; that travel performed for which a *Cash Advance* or *Reimbursement* is claimed was performed by me while on *Official University Business* and that no claims are included for expenses of a personal or political nature or for any other expenses not authorized by these Policies; and that I actually incurred or paid the operating expenses of the motor vehicle for which *Reimbursement* is claimed on a mileage basis. Further, I hereby authorize the University to deduct from my pay any amount paid to me in excess of my authorized expenses as provided by this Policy."

5.7 REIMBURSEMENT REQUIREMENTS

5.7.1 Timing

A completed, approved, and submitted *Travel Authorization/Expense Report* (TA/TE) form should be sent to the Controller's Office within 20 working days of completion of travel to allow for proper and timely recording of expenses, unless otherwise provided under this Policy. Any *Reimbursement* submitted after 60 days of the completion date of the travel will be treated as taxable income and the total amount of the reported *Reimbursement* shall be included in the *Employee's* W-2 for that calendar year. A *Travel Authorization/Expense Report*, for otherwise allowable reimbursable expenses, not completed, approved, and submitted to the Controller's Office within six months of the completion date of the travel will not be processed and the traveler will not be reimbursed.

5.7.2 Unsubstantiated *Reimbursements*

The University will report as additional W-2 income, to an *Employee*, the *Reimbursement* of any expenses approved by the *Approving Authority* that is not substantiated by an appropriate receipt or adequate explanation. If a traveler has inadvertently lost a receipt, the traveler shall complete and submit a lost receipt form. The *Approving Authority* shall determine whether or not the *Employee* will be reimbursed for the expenses associated with the lost receipt.

5.7.3 Receipts

Receipts are required for lodging, rental vehicles, airfare, and any charges on the University's *OneCard/Procurement Card*, regardless of the amount. Such receipts shall be detailed receipts and shall include the date of service. Receipts for out of pocket costs are not required for any expenses for which the individual charge is less than \$50. Non-specific charge card transaction slips or credit card statements documenting the vendor and amount paid may be accepted as proper documentation except for lodging, rental vehicles, group meals, meals as part of an *Official Function*, and airfare charges.

In extenuating circumstances, the *Approving Authority* may waive the requirement for a receipt upon receipt of a written certification from the traveler that includes the cost incurred, and provides the reason why a receipt was not obtained/available. The *Approving Authority* may establish alternative documentation requirements for travel to certain locations where compliance with the receipt requirement is determined to be impractical by the *Approving Authority*, and the Controller concurs (e.g., Foreign Travel, group travel, etc.)

5.8 PAYMENT OF TRAVEL EXPENSES

5.8.1 Electronic Reimbursement

At the Controller's Office discretion, a traveler shall be reimbursed for *Cash Advances* or expenses claimed on the *Travel Authorization/Expense Report* or TA/TE form by direct deposit using Electronic Funds Transfer or by a University check.

5.8.2 Corporate Liability Cards

The University may utilize any corporate liability card program that meets their business needs, and create or adopt rules and procedures related to the required campus use of that card program.

5.9 SPECIAL SITUATIONS

5.9.1 Travel Type Charges When Not in Travel Status

Employees will not be reimbursed for per diems and/or lodging charges when not in *Travel Status*.

5.9.2 Travel to a Temporary Work Location

A traveler may be reimbursed for transportation expenses to a *Temporary Work Location*, regardless of distance, only if the temporary work location is in the same trade or business as the traveler's regular work location.

5.9.2.1 When a personal vehicle is the usual method of commuting

Traveler shall be reimbursed to the extent the number of miles between the Traveler's Residence and the *Temporary Work Location* exceeds the normal commuting miles from the Traveler's Residence to the *Traveler's Regular Work Location*.

5.9.2.2 When a personal vehicle is NOT the usual method of commuting

Traveler shall be reimbursed for the number of miles between the Traveler's Residence and the *Temporary Work Location*. The *Approving Authority* shall obtain sufficient information to know if the traveler's personal vehicle is the usual method of commuting.

5.9.2.3 Travel While on Board Approved Sabbatical

Travel expenses by an *Employee* while on Board of Trustee's approved sabbatical leave that are incurred for *Official University Business* are eligible for reimbursement if it is reasonable, funds are available, it is compliant with University finance and travel policies, and it is approved by their respective Vice President/Provost, Dean, or Department Head. While the most appropriate sources of funds to cover travel expenses are research accounts, research development accounts, or foundation accounts, any restrictions set forth by the funding source must be honored. The General Fund shall not be used to reimburse sabbatical leave travel expenses. Any reimbursed expenses deemed personal by the Internal Revenue Service will be included as taxable income and appropriate taxes withheld.

5.9.3 Non-employee Travel

Non-employees receiving *Reimbursement* from the University for associated travel costs, are subject to the Travel Policy, except that the *Approving Authority* may certify submit/ sign the *Travel Authorization/Expense Report*, as required by section 5.6.1 of this Policy, on behalf of the *Non-employee* traveler if the *Non-employee* traveler is not available to sign the *Travel Authorization/Expense Report*. *Organizational Units* are encouraged to pay travel costs for *Non-employees*, such as airfares and hotels, directly to minimize the out of pocket cost to the traveler and ensure that the requirements of section 5.1.1 of this Policy are met. All *Non-employees* will be required to have a completed and signed W-9 in order to be reimbursed by the University for any travel costs.

5.9.4 Allowances for Travel Not Solely for Official University Business

In some instances, the purpose of travel may be partially for *Official University Business* and partially for personal reasons. In these instances, the traveler shall make a reasonable allocation of the expenses between *Official University Business* and personal or political purposes and the *Travel Authorization/Expense Report* for such expenses shall contain such allocation and sufficient documentation to explain the basis for the allocation. If an *Employee* obtains lower rates for lodging or transportation because travel is extended for personal reasons, these lower rates shall also apply to the *Official University Business* portion of the travel.

5.9.5 Allowances for Travel Paid Directly by a Non-Mines' Entity

Mines' officials and *Employees* may be invited to attend a committee meeting, seminar, or conference concerning *Official University Business* where their travel expenses are paid directly or reimbursed by the sponsor of the meeting, seminar, or conference. In such instances the University official or *Employee* may accept the invitation if the travel has been approved by the appropriate *Approving Authority* and does not violate other State statutes or constitutional provisions. Such travel does not need to be reported on a *Travel Authorization/Expense Report*.

5.9.6 Allowances for Travel with Spouse, Relatives, or Friends

Reimbursement for *Employee's* spouse, domestic partner, or other traveling companion shall not be allowed except as specifically approved in advance by the appropriate Dean or

Vice President. *Reimbursement* for travel expenses under this section shall be treated as taxable income and the total amount of the reported *Reimbursement* shall be included in the *Employee's W-2* for that calendar year.

5.9.7 Staying with Friends/Family

When a Traveler arranges private lodging and meals (staying with friends/family) the *Approving Authority* may negotiate a special meal only per diem rate for that period of travel. The rate negotiated shall be on a case-by-case basis and under no circumstance shall the negotiated rate exceed the established per diem rates for the place of travel. The Traveler shall not be reimbursed for any private lodging costs paid to friends or family.

5.9.8 Allowances for Travel by the Board of Trustees

Members of the Board of Trustees may be reimbursed for actual and necessary travel expenses incurred in the performance of their official Trustee duties, to the extent that such expenses are reasonable under the circumstances. The President's Office shall be responsible for such *Reimbursements*.

CHAPTER 6: CASH

6.1 OVERVIEW

Cash is defined as consisting of:

- i. Paper currency;
- ii. Checks;
- iii. Coins;
- iv. Money orders; and
- v. Travelers Checks.

Campus departments should only accept and deposit payments for Mines' *Official University Business*.

6.2 CASH SECURITY

Cash should be secured at all times. This would include the use of cash registers, safes, locked file cabinets/drawers with key control, and locked boxes. Access to these devices must be restricted and proper internal controls must be established. For example, restrict authority to get into cash registers, limit the number of people who have access to the combination to the safe, and limit the number of keys and their availability to locked cabinets, drawers, or boxes.

6.3 FUNDS TO BE DEPOSITED

Funds received must be deposited with the Cashier within two business days of receipt. Daily receipts must be deposited intact and must not be used to pay expenses or to create unauthorized *Petty Cash* or *Change Funds*. Do not substitute checks for cash.

All deposits of Colorado School of Mines cash must be made at the Cashier Office using CASHNet. Maintenance of outside bank accounts is strictly prohibited.

6.3.1 Supporting Documentation

Organizational units are required to retain all supporting documents in the department. These documents will include pre-numbered receipts, check logs, cash register tapes, etc. Attach these with one copy of the CASHNet Deposit Form and file the records by deposit date. Attach receipt from Cashier to supporting documents. The Controller's Office will maintain the numerical filing of the posting copies of these documents.

Departmental deposit records are subject to review by the Controller's Office, Internal Auditors, and external auditors.

6.3.2 Deposit of Non-University Funds

If the department is involved in a non-University activity that generates funds, such as soliciting contributions for a retirement function, instruct individuals or entities making

payments that the checks should not be made payable to the Colorado School of Mines. Colorado School of Mines cannot endorse these over to an individual or an organization, or deposit them into a Mines' bank account and withdraw the funds. When this situation occurs, the department must return the check to the preparer with an explanation and a request to re-issue the check with a corrected payee.

6.4 AUTHORIZATION AND USE OF CHANGE FUND AND PETTY CASH FUNDS

6.4.1 Creation, Approval, and Cancellation

May be established based upon written approval by the Controller's Office. The request for a *Change Fund* or *Petty Cash Fund* shall state the purpose of the fund and contain justification for the amount requested. All *Change Funds* and all *Petty Cash Funds* shall be recorded on the University's financial system.

Violation of these policies and procedures will be cause for discontinuance of the *Change Fund* or *Petty Cash Fund* for that department.

6.4.2 Custodians

Only *Employees* of the University who hold a 100% appointment are authorized to be *Change Fund* or *Petty Cash Fund Custodians*. The head of the fund custodian's department must approve the request. If a change/addition in custodian is required, the new custodian must complete a New/Additional Custodian Form with authorized departmental head signature and submit the original form to the Controller's Office for approval.

In the absence of the *Petty Cash Custodian* because of illness, vacation, etc., it is permissible for a back-up *Petty Cash Custodian* to make the Reimbursement request and receive the Reimbursement check. The voucher must very clearly:

- i. Indicate that the payment is a *Petty Cash* Reimbursement for "name of official custodian" and
- ii. Include the reason the check is not made out to that custodian.

Reimbursements to a back-up custodian must be considered as "an exception rather than the rule". Contact the Controller's Office if the need for a back-up custodian arises.

6.4.3 Appropriate Use of Change Funds

Change Funds shall only be used for making change when cash receipts are accepted from the public, such as for fees and fines. The amount of a *Change Fund* is based on the documented need of the department and shall be approved by the Controller's Office. No expenditures of any kind shall be authorized from a *Change Fund*. *Change Funds* may either be permanently held at the department or they may be issued on a temporary basis for a specific event or activity.

A *Change Fund* must not be used for the following:

- i. To cash personal checks;
- ii. To make loans to faculty, staff, *Students*, or others -I.O.U.s are not permitted; or
- iii. To make purchases.

At all times, the *Change Fund* must consist of cash that equals the amount of the original advance issued to the *Change Fund custodian*. Any shortages will be charged to the specified Departmental Index when the *Change Fund* is returned to the Cashier.

6.4.4 Appropriate use of Petty Cash Funds

Petty Cash Funds will generally be limited to no more than \$200.00 per department, but in no case shall exceed \$2,000.00. The actual authorized amount is dictated by business needs of the department requesting the *Petty Cash Fund*.

Petty Cash Funds shall only be used for payment of incidental expenses, not to exceed \$50, for expenses such as postage, copy charges, or expenses not otherwise appropriately purchased through the use of the University's procurement card or other approved purchasing method. *Petty Cash* expenditures shall be consistent with all applicable statutes, rules, regulations, and these Financial Policies. The use of *Petty Cash* to make purchases is an exception to the formal procurement methods. The Procurement Card is the preferred method for making small dollar purchases.

Petty Cash Funds must not be used for any of the following items:

- i. Alcohol;
- ii. Payroll expenses;
- iii. Payments to other University departments -- this must be done by an Internal Sales and Services Voucher (ISSV);
- iv. Payment of travel expenses (including mileage Reimbursements) -- this can only be done with an approved *Travel Advance* and/or *Travel Expense Report*;
- v. Cashing personal checks;
- vi. Making loans to *Employees*, *Students* or others -- no I.O.U.s;
- vii. Making purchases and sales -- i.e., the purchase and sale of stamps to departmental personnel; or
- viii. Flower funds or coffee club funds.

6.5 PETTY CASH AND CHANGE FUND PROCEDURES

Organizational Units shall comply with procedures developed by the Controller's Office regarding proper cash handling procedures.

6.6 THEFT OF CHANGE FUND

If a theft occurs, the custodian must notify the Controller's Office and Colorado School of Mines Public Safety as soon as the theft is discovered. The custodian must then complete a Payment Voucher, drawn against the departmental Index, using account 5549, for the amount of the theft. The Payment Voucher, along with an explanation, is then submitted to the Controller's Office. A check will be issued to reimburse the fund. If the theft or loss is determined to be due to

negligence on the part of the custodian, the department may choose to require the custodian to replace the funds.

6.7 CREDIT CARDS

The preferred method of accepting payment by credit card is online via CASHNet. The Controller's Office maintains the right to approve other methods of accepting credit cards. Regardless of the method used, each *Organization Unit* is responsible for maintaining internal controls that protect sensitive cardholder information. In accepting credit cards, departments acknowledge they are responsible to ensure all *Employees* receive proper procedural training to maintain data security. Any receipts, reports, etc. shall show only the last four digits of credit card numbers when archived. At no time shall any Mines' department electronically retain cardholder data.

CHAPTER 7: DEFICIT SPENDING

Policy 7-1 DEFICIT SPENDING

Regardless of the source of funding, *Organizational Unit Managers* shall manage all activities and expenditures under their control, and avoid generating a *Deficit* in the *Index*. *Organizational Unit Managers* must eliminate *Deficits* in a timely manner. All *Deficits* related to non-sponsored projects must be eliminated by the end of the fiscal year.

A *Deficit* that exists in Sponsored Projects that is not resolved within 90 days may be automatically transferred to a Principal Investigator's professional or research development account, departmental or center unrestricted source of funds, including gift funds or a department's general fund budget.

CHAPTER 8: REPORTING

Policy 8-1 FINANCIAL STATEMENTS

Annual financial statements prepared by the University shall be submitted to the BOT Finance and Audit Committee. Unless otherwise provided by this Financial Policy, the University's financial statements shall be prepared by the Controller in accordance with generally accepted accounting principles and shall reflect the financial activities of the University.

The University or its contractor may provide draft financial statements to the Office of the State Auditor to facilitate a timely and efficient audit. Draft financial statements and accountant work papers are not public records.

The State financial system generates a balance sheet and an income statement for the University utilizing the CORE system. These system-generated statements are considered acceptable financial statements for any purposes of the State Controller. The University shall continue to provide information to the State Controller, including exhibit information required in the fiscal year-end closing instructions issued by the State Controller and any post-closing adjustments, as necessary for the State Controller to meet the obligations set forth in C.R.S. 24-30-202(11), 24-17-102, and 24-20-204, as described in C.R.S. 24-30-202(13).

Financial statements prepared by the University shall be reconciled to the State financial system. A copy of this reconciliation shall be provided to the State Controller at least annually.

Policy 8-2 PERIODIC FINANCIAL REPORTING

The Controller shall prepare periodic financial reports. The periodic financial reports shall be available for use by management, the Finance and Audit Committee, and others for planning purposes and decision-making.

- The University's financial system shall be the system used to record the University's financial information and the system from which standard reports shall be prepared.
- The CFO and Controller shall determine what is reasonable and necessary to be included in the financial reports, the funds which are to be included, and the date each report is due.

Each reporting period shall be regarded as an integral part of the fiscal year. Revenues shall be allocated to reporting periods in accordance with generally accepted accounting principles. Expenditures such as salaries, operating expenditures, and accruals of expenditures shall be allocated to interim periods in which they are incurred or, where appropriate, allocated among periods on the basis of benefits received or time expended. Arbitrary assignment to a period shall not be allowed.

Policy 8-3 COST ALLOCATION PLANS

The University shall prepare a documented Indirect Cost Allocation or Indirect Cost rate proposal/plan that assigns Indirect Costs to their programs, activities, and services relative to their benefits received from the activities whose costs are being allocated or on another equitable relationship. The allocated costs shall be used as the basis of recovering indirect costs from the federal government, determining fees for program services and activities, and assessing the cost effectiveness of a program or activity.

The University shall use a cost allocation methodology that assures that the allocations made through the methodology represent a service/benefit or other equitable relationship between the costs of the services provided and the value of the benefits received by users of the services.

The University shall periodically review its cost allocation methodology to ensure that the methodology represents the best allocation attainable. Allocations should be reconciled to actual expenditures to ensure all costs have been captured and allocated.

When the University receives federal funds, it shall prepare a federal indirect cost rate proposal/plan in accordance with Uniform (Grant) Guidance and sign an indirect cost rate or allocation methodology agreement with the federal government. The University's federal indirect cost rate proposal/plan shall include all costs allocated to the University in the federal indirect cost allocation plan and other approved cost allocation plans.

Grants, contracts, and other agreements that do not allow for the recovery of the full cost incurred under the agreement should be closely evaluated to determine if their acceptance is cost effective and in the best interest of the University.

Indirect Cost recoveries shall be recorded when earned in separately identifiable accounts as determined by the Controller. Revenues from Indirect Cost recoveries shall not be deferred at the end of the fiscal year.

AUTHORITIES

C.R.S. §24-30-201 (Accounts and Control)

C.R.S. §24-75-102 (Expenditures)

CFR: Title 48, Chapter 99, Subchapter B, Part 9904: "Uniform Guidance" Cost Accounting Standards Board, Procurement Practices and Cost Accounting Standards"
(48 CFR 99)

Federal (OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) See Grants.gov (2 CFR Part 200)

CHAPTER 9: PAYROLL

Policy 9-1 DIRECT DEPOSIT

All *Employees* shall have their payroll direct-deposited to their bank via ACH (Automated Clearing House) payments unless an exception is approved by the Controller.

Policy 9-2 OVERPAYMENTS TO EMPLOYEES

Through error, an *Employee* may be paid more than is due. When the error is detected, provisions shall be made for the repayment of the overpayment.

If the overpayment is nominal, the overpayment shall be deducted from the *Employee's* next paycheck. However, in some cases the overpayment may be significant and require a repayment schedule extending over a period of time. The Controller shall establish a repayment schedule based on the particular facts involved in each case.

An *Employee's* maximum liability for repayment, should an error go undetected for longer than a two year period, shall be limited to the total amount of the overpayment for the first two years in which the *Employee* was overpaid.

It is the *Employee's* responsibility to review their payroll notification each month and contact the Payroll Manager in the Controller's Office if discrepancies, either overpayment or underpayment, exist.

Policy 9-3 FINAL PAY FOR A TERMINATING EMPLOYEE

Final pay shall be available to terminating *Employees* as follows:

- When an *Employee* terminates employment, with or without giving notice, final payment shall be made no later than their next regular payday.
- When the University terminates an *Employee*, final payment shall be made within three (3) working days of the date of termination.

Policy 9-4 PROPER TIMESHEET REPORTING

All hourly paid *Employees* are required to complete a timesheet for each pay period using the University's timekeeping system. If an *Employee* has an active job but did not work any hours during the pay period, the *Employee* is required to submit a "zero hour" timesheet. The *Employee's* supervisor shall review and approve the timesheet each month. All timesheets shall be completed and approved in accordance with procedures issued by the Controller's Office

All salaried non-exempt *Employees* are required to complete and sign a timesheet certifying the hours worked each month. The signed timesheet shall be approved and signed by the *Employee's* direct supervisor or authorized delegate. The *Employee's* department is required to keep the approved timesheet for three (3) years.

The format of the timesheet is not prescribed, but at a minimum will contain the following information:

- *Employee* name and CWID;
- *Employee's* regular working hours and length of lunch break;
- Regular and overtime hours worked each regular workday and weekend, if applicable;
- A total for the hours worked each week and for the month;
- A statement that overtime hours are earned after 40 hours of regular work, not including Holidays, Leave, or Compensatory time taken;
- Number of compensatory hours earned each week, compensatory hours used during the month and the cumulative unused compensatory hours;
- *Employee* signature and date completed;
- The following certification statement below the *Employee's* signature – I affirm that the hours reported are true and include all the hours worked for the indicated period; and
- Supervisor's signature and date approved.

APPENDIX A - DEFINITIONS

As used in these University Financial Policies, the following definitions shall apply, unless the applicable Policy expressly states otherwise.

Advance Payments: A payment made for goods or services prior to the receipt thereof.

After-the-Fact Purchase: Occurs when liabilities are incurred or payments are made on the University's behalf without prior approval via a University purchase order or contract when a purchase order or contract is required.

Approving Authority: The person within the Organizational Unit that is responsible for ensuring financial transactions recorded against an Index are appropriate.

Board: The Board of Trustees of the Colorado School of Mines.

Capital Construction: Shall have the meaning described in C.R.S. §24-75-301(1), as now or hereafter amended.

Capital Construction Fund: A fund created for the purpose of constructing, purchasing, building, and/or maintaining land and buildings for use by the University.

Cash Advance: An amount of money approved by the *Organizational Unit* and the Controller's Office that is given to an *employee* to cover incidental out-of-pocket expenses related to *Official University Business* while *In Travel Status*.

Change Fund: An amount of money advanced to the departments that accept cash from customers and, therefore, must have cash available to make change.

Change Fund Custodian: The individual designated by the appropriate department and approved by the controller as responsible for safeguarding and disbursing from a change fund.

Commitment Voucher: A purchase order, a contract, an approved travel authorization, or any other document appropriate to the fiscal transaction as prescribed by University policies and procedures, which provides support that an obligation of the University is being charged to the appropriate account and that purchasing requirements have been satisfied. Additional examples of commitment vouchers include, but are not limited to: grant contracts, license agreements, parking license agreements, and any other contract involving the payment of University funds.

Controlled Maintenance Project: A capital project funded for the purpose of performing routine maintenance of campus facilities.

Course: A seminar, an extended learning event, or continuing education course offered by Mines to non- Mines' Students, faculty, or staff as a part of the core business function of the University.

Deficit: Actual expenses plus encumbrances that exceeds the total approved budget or available net assets, as recorded or reflected in the Finance System, in the Index for which the activity is recorded.

Direct Pay: A method to pay a vendor that does not include a commitment voucher.

Donation: Irrevocable cash and non-cash contributions to the University, departments, or student organizations for which the donor receives nothing in exchange.

Employee: An individual who holds a University faculty, administrative faculty, classified, or Student employment appointment, whether full-time, part-time, temporary, seasonal, or hourly.

Entertainment Expenses: Expenditures for social functions, entertainment events, food, beverages, tickets for shows or sporting events and related supplies for events, which involve one or more University Employees and or one or more guests and the purpose of the expenditure is to represent the University or provide reciprocity of hospitality or build business relationships in pursuit of University goals.

Equipment: Any tangible personal property that has a useful life greater than 1 year and a cost of more than \$5,000, which is not a permanent part of a building and does not lose its identity through incorporation into a more complex unit.

Fundraising Events: An event at which a required monetary payment to attend or participate includes both a gift component (charitable contribution) and a non-gift component (goods and/or services are provided or available to the attendees, sponsors, or donors). The event will most often be completed in a single day; however, the event may consist of a multi-day, singularly identifiable event, such as a trip or cultural celebration weekend. This type of event differs from a *conference* in that some portion of the attendees' payment is intended to be tax deductible. Examples of such events include the collection of gifts or money through sale or auction of merchandise or services, collection of registration or sponsorship fees with a promise of a tax deduction, imposition of admission charges or registration fees with a promise of a tax deduction, and/or membership fees.

Gift: Irrevocable cash and non-cash contributions to departments or Student organizations for which the donor receives nothing in exchange. Donors may place certain restrictions on the use of the funds with which the University must comply.

Gratuities/Tips: A sum of money given to someone as a reward for their services. The amount should not exceed 20% of the pre-tax purchase for items in which Gratuities/Tips are appropriate. Note: Gratuities/Tips for bell hops, maid service, skycaps, concierge services, etc., are not allowed as itemized amounts. These amounts are already reimbursed via the per diem calculations.

Incidental Expenses: Fees and Gratuities/Tips given to porters, baggage carriers, bellhops, hotel maids, and skycaps for airport check-in, and cost of personal telephone calls. Incidental Expenses do not include expenses for laundry, cleaning and pressing of clothing, and lodging taxes.

Index: A unique combination of Fund, Organization, and Program code numbers within the Finance System that is used to record financial transactions.

Meetings/Conferences: An auxiliary activity to conduct a formal activity 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. Activities include professional meetings and or conferences hosted by the University for associated professional/educational organizations.

Metropolitan (Metro) Area: A region including a city and the densely populated surrounding areas that are socially and economically integrated with the area. For purposes of these Policies, a radius of 50 miles from the University is deemed to be the Metropolitan Area.

Non-employee: Any person who does not meet the definition for *Employee* or *Student*.

Non-remuneration employee: Any person who is not a current employee of the University but has a zero pay contract authorized and approved by the appropriate VP that is currently on file and covers the dates for which the individual will be working for the University.

Official Function: Those meetings, special events, and graduation functions hosted by an *Organizational Unit* and attended by guests and or other associates or employees held for an Official University Business purpose.

Official University Business: Any activity that carries out the University's mission of instruction, research, and service or that provides support to the University's instruction, research, and service activities.

OneCard: The University's corporate liability card issued to *Employees* and *Students*.

Organizational Unit: A subset of University. An Organizational Unit may be a department, center, institute, or any other distinct operational activity with the following characteristics:

- Organizational permanency;
- Programmatic autonomy; and
- An annual operating budget that is fiscally independent.

Within the Finance System, these areas are represented in the chart of accounts as Orgs.

Organizational Unit Manger: University employees assigned responsibility for expending University resources within an *Organizational Unit*. This may include any of the following: President, Vice President, Department Head, Division Director, Fund Manager, Principal Investigator, or Administrative Assistant: and it shall not include *Students*.

Out-of-Pocket Expense: *Official University Business* paid for using personal funds in lieu of using a University procurement payment method.

Perquisite: Any extra benefit, privilege, or allowance that is not ordinary compensation, authorized expense Reimbursement, or approved supplemental pay. "Perquisite" does not include incentive awards, salary increases, fringe benefits established pursuant to C.R.S. §§ 24-50-104(8) and (9), or any other employment benefit authorized by state statute, or resolution of the *Board*.

Petty Cash Custodian: The individual designated by the appropriate department and approved by the Controller's Office as responsible for safeguarding, disbursing from, and requesting replenishment of a *Petty Cash Fund*.

Petty Cash Fund: An amount of money issued to a department to be used on a revolving basis for the payment of small and incidental expenses.

Political Expenses: Expenses incurred in relation to activities that are primarily designed to further the interests of a candidate, political party, or special interest group.

Procurement Card Report: A report processed through TEM to record charges incurred on the University's corporate liability credit cards.

Reimbursement: The act of reimbursing an *Employee* or *Non-Employee* who personally paid for *Official University Business* expenses. Receipts and proof of payment are required as documentation of the purchase.

Standing/Regular Meeting: A meeting that takes place more than four times a year or once a quarter.

State Capital Construction Fund: A fund created by statute for the purpose of constructing, purchasing, building, and/or maintaining land and buildings that is wholly or partially funded by the State.

State Capital Construction Project: A construction project funded wholly or in part by funds from the State Capital Construction Fund.

State Controlled Maintenance Project: A capital project funded wholly or in part by funds from the State controlled maintenance fund.

Student: Any person who is registered for coursework at the undergraduate or graduate level at the University.

Temporary Work Location: A location where employment is expected to continue, and does continue, for one year or less.

Training Function: A meeting, conference, or other function which is hosted by an *Organizational Unit* or other associates and held to enhance *employee* knowledge or to educate customers or *employees* that are affected by the University's operations or requirements. Training Functions require a written agenda, study materials, and must be led by an identified presenter(s).

Travel Advance: An amount of money approved by the *Organizational Unit* and the Controller's Office that is given to an *employee* to cover incidental out-of-pocket expenses related to *Official University Business* while in *Travel Status*.

Travel and Expense Management System (TEM): The system used to process *Travel Authorization/Expense Reports*, *Voucher Reports*, and *Procurement Card Reports*. The system may be either an electronic or a paper-based system.

Travel Authorization/Expense Report: A report processed through TEM that documents *Employee* and *Non-Employee* travel related authorizations and actual expenses.

Traveler's Regular Work Location: Generally, the primary location where the traveler works, including the entire *Metropolitan Area* surrounding the primary location.

Travel Status: An *Employee's* job duties require them to be away from the *Traveler's Regular Work Location* over-night or if the travel includes airfare.

Vendor Agreement: Any form of agreement provided by a vendor, including an on-line (electronic) agreement, containing contractual provisions relating to the goods and/or services to be provided by such vendor.

Voucher Report: A report processed through TEM to reimburse *Employees* for miscellaneous out of pocket expenses.

APPENDIX B – PURCHASE ORDER TERMS AND CONDITIONS

1. Offer/Acceptance. If this purchase order (“PO”) refers to vendor’s bid or proposal, this PO is an ACCEPTANCE of vendor’s OFFER TO SELL in accordance with the terms and conditions of the “solicitation” identified in vendor’s bid or proposal. The solicitation includes an RFP, IFB, or any other form of order by buyer. If a bid or proposal is not referenced, this PO is an OFFER TO BUY, subject to vendor’s acceptance, demonstrated by vendor’s performance or written acceptance of this PO. Any COUNTER-OFFER TO SELL automatically CANCELS this PO, unless a change order is issued by buyer accepting a counter-offer. This PO shall supersede and control over any vendor form(s) or part(s) thereof included in or attached to any bid, proposal, offer, acknowledgment, or otherwise, in the event of inconsistencies or contradictions, regardless of any statement to the contrary in such form(s) or parts thereof.

2. Safety Information. All chemicals, equipment and materials proposed and/or used in the performance of this PO shall conform to the requirements of the Occupational Safety and Health Act of 1970. Vendor shall furnish all Material Safety Data Sheets (MSDS) for any regulated chemicals, equipment or hazardous materials at the time of delivery.

3. Changes. Vendor shall furnish products and/or services strictly in accordance with the specifications and price set forth for each item. This PO shall not be modified, superseded or otherwise altered, except in writing signed by purchasing agent and accepted by vendor. Each shipment received or service performed shall comply with the terms of this PO, notwithstanding invoice terms or acts of vendor to the contrary, unless this PO has been modified, superseded or otherwise altered in accordance with this section.

4. Delivery. Unless otherwise specified in the solicitation or this PO, delivery shall be FOB destination. Buyer is relying on the promised delivery date, installation, and/or service performance set forth in vendor’s bid or proposal as material and basic to buyer’s acceptance. If vendor fails to deliver or perform as and when promised, buyer, in its sole discretion, may cancel its order, or any part thereof, without prejudice to its other rights, return all or part of any shipment so made, and charge vendor with any loss or expense sustained as a result of such failure to deliver or perform as promised. Time is of the essence.

5. Intellectual Property. Any software, research, reports, studies, data, photographs, negatives or other documents, drawings or materials (collectively “materials”) delivered by vendor in performance of its obligations under this PO shall be the exclusive property of buyer. Ownership rights shall include, but not be limited to, the right to copy, publish, display, transfer, prepare derivative works, or otherwise use the materials. Vendor shall comply with all applicable Cyber Security Policies of the State of Colorado (the “State”), or buyer, as applicable, and all confidentiality and non-disclosure agreements, security controls, and reporting requirements.

6. Quality. Buyer shall be the sole judge in determining “equals” with regard to quality, price and performance. All products delivered shall be newly manufactured and the current model, unless otherwise specified.

7. Warranties. All provisions and remedies of the Colorado Uniform Commercial Code, CRS, Title 4 (“CUCC”), relating to implied and/or express warranties are incorporated herein, in addition to any warranties contained in this PO or the specifications.

8. Inspection and Acceptance. Final acceptance is contingent upon completion of all applicable inspection procedures. If products or services fail to meet any inspection requirements, buyer may exercise all of its rights, including those provided in the CUCC. Buyer shall have the right to inspect services provided under this PO at all reasonable times and places. "Services" as used in this section includes services performed or tangible material produced or delivered in the performance of services. If any of the services do not conform to PO requirements, buyer may require vendor to perform the services again in conformity with PO requirements, without additional payment. When defects in the quality or quantity of service cannot be corrected by re-performance, buyer may (a) require vendor to take necessary action to ensure that future performance conforms to PO requirements and (b) equitably reduce the payment due vendor to reflect the reduced value of the services performed. These remedies do not limit the remedies otherwise available in this PO, at law, or in equity.

9. Cash Discount. The cash discount period will start from the later of the date of receipt of acceptable invoice, or from date of receipt of acceptable products/services at the specified destination by an authorized buyer representative.

10. Taxes. Buyer and the State are exempt from all federal excise taxes under Chapter 32 of the Internal Revenue Code [No. 84-730123K] and from all State and local government sales and use taxes [CRS, Title 39, Article 26, Parts I and II]. Such exemptions apply when materials are purchased for the benefit of State, except that in certain political subdivisions (e.g., City of Denver) vendor may be required to pay sales or use taxes even though the ultimate product or service is provided to buyer. Buyer shall not reimburse such sales or use taxes.

11. Payment. Buyer shall pay vendor for all amounts due within 45 days after receipt of products or services and a correct notice of amount due. Interest on the unpaid balance shall begin to accrue on the 46th day at the rate set forth in CRS §24-30-202(24) until paid in full. Interest shall not accrue if a good faith dispute exists as to buyer's obligation to pay all or a portion of the amount due. Vendor shall invoice buyer separately for interest on delinquent amounts due, referencing the delinquent payment, number of day's interest to be paid, and applicable interest rate.

12. Vendor Offset. *[Not Applicable to Inter-governmental POs]* Under CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

13. Assignment and Successors. Vendor shall not assign rights or delegate duties under this PO, or subcontract any part of the performance required under this PO, without the express, written consent of buyer. This PO shall inure to the benefit of and be binding upon vendor and buyer and their respective successors and assigns. Assignment of accounts receivable may be made only upon written notice furnished to buyer.

14. Indemnification. If any article sold or delivered under this PO is covered by a patent, copyright, trademark, or application therefore, vendor shall indemnify and hold harmless buyer from any and all loss, liability, cost, expenses and legal fees incurred on account of any claims, legal actions or judgments arising out of manufacture, sale or use of such article in violation or infringement of rights under such patent, copyright, trademark or application. If this PO is for services, vendor shall indemnify, save, and hold harmless buyer, its employees and agents,

against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related expenses, incurred as a result of any act or omission by vendor, or its employees, agents, subcontractors or assignees, arising out of or in connection with performance of services under this PO.

15. Independent Contractor. Vendor shall perform its duties hereunder as an independent contractor and not as an employee. Neither vendor nor any agent or employee of vendor shall be deemed to be an agent or employee of buyer. Vendor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through buyer and buyer shall not pay for or otherwise provide such coverage for vendor or any of its agents or employees. Unemployment insurance benefits will be available to vendor and its employees and agents only if vendor or a third party makes coverage available. Vendor shall pay when due all applicable employment, income, and local head taxes incurred pursuant to this PO. Vendor shall not have authorization, express or implied, to bind buyer to any agreement, liability or understanding, except as expressly set forth herein. Vendor shall **(a)** provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, **(b)** provide proof thereof when requested by buyer, and **(c)** be solely responsible for its acts and those of its employees and agents.

16. Communication. All communication concerning administration of this PO, prepared by vendor for buyer's use, shall be furnished solely to purchasing agent.

17. Compliance. Vendor shall strictly comply with all applicable federal and state laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

18. Insurance. Vendor shall obtain, and maintain, at all times during the term of this PO, insurance as specified in the solicitation, and provide proof of such coverage as requested by purchasing agent.

19. Termination Prior to Shipment. If vendor has not accepted this PO in writing, buyer may cancel this PO by written or oral notice to vendor prior to shipment of goods or commencement of services.

20. Termination for Cause. **(a)** If vendor refuses or fails to timely and properly perform any of its obligations under this PO with such diligence as will ensure its completion within the time specified herein, buyer may notify vendor in writing of non-performance and, if not corrected by vendor within the time specified in the notice, terminate vendor's right to proceed with the PO or such part thereof as to which there has been delay or a failure. Vendor shall continue performance of this PO to the extent not terminated and be liable for excess costs incurred by buyer in procuring similar goods or services elsewhere. Payment for completed services performed and accepted shall be at the price set forth in this PO. **(b)** Buyer may withhold amounts due to vendor as buyer deems necessary to reimburse buyer for excess costs incurred in curing, completing or procuring similar goods and services. **(c)** If after rejection, revocation, or other termination of vendor's right to proceed under the CUCC or this clause, buyer determines for any reason that vendor was not in default or the delay was excusable, the rights and obligations of buyer and vendor shall be the same as if the notice of termination had been issued pursuant to termination under §21.

21. Termination in Public Interest. Buyer is entering into this PO for the purpose of carrying out the public policy of the State, as determined by its Governor, General Assembly, and Courts. If this PO ceases to further the public policy of the State, buyer, in its sole discretion,

may terminate this PO in whole or in part and such termination shall not be deemed to be a breach of buyer's obligations hereunder. This section shall not apply to a termination for vendor's breach, which shall be governed by §20. Buyer shall give written notice of termination to vendor specifying the part of the PO terminated and when termination becomes effective. Upon receipt of notice of termination, vendor shall not incur further obligations except as necessary to mitigate costs of performance. For services or specially manufactured goods, buyer shall pay (a) reasonable settlement expenses, (b) the PO price or rate for supplies and services delivered and accepted, (c) reasonable costs of performance on unaccepted supplies and services, and (d) a reasonable profit for the unaccepted work. For existing goods, buyer shall pay (e) reasonable settlement expenses, (f) the PO price for goods delivered and accepted, (g) reasonable costs incurred in preparation for delivery of the undelivered goods, and (h) a reasonable profit for the preparatory work. Buyer's termination liability under this section shall not exceed the total PO price plus a reasonable cost for settlement expenses. Vendor shall submit a termination proposal and reasonable supporting documentation, and cost and pricing data as required by CRS §24-106-101, upon request of buyer.

22. PO Approval. This PO shall not be valid unless it is executed by purchasing agent. Buyer shall not be responsible or liable for products or services delivered or performed prior to proper execution hereof.

23. Fund Availability. Financial obligations of buyer payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available. If this PO is funded in whole or in part with federal funds, this PO is subject to and contingent upon the continuing availability of federal funds for the purposes hereof. Buyer represents that it has set aside sufficient funds to make payment for goods delivered in a single installment, in accordance with the terms of this PO.

24. Choice of Law. State laws, rules and regulations shall be applied in the interpretation, execution, and enforcement of this PO. The CUCC shall govern this PO in the case of goods unless otherwise agreed in this PO. Any provision included or incorporated herein by reference which conflicts with such laws, rules, and regulations is null and void. Any provision incorporated herein by reference which purports to negate this or any other provision in this PO in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Unless otherwise specified in the solicitation or this PO, venue for any judicial or administrative action arising out of or in connection with this PO shall be in Denver, Colorado. Vendor shall exhaust administrative remedies in CRS §24-109-106, prior to commencing any judicial action against buyer.

25. Public Contracts for Services. *[Not Applicable to offer, issuance, or sale of securities, investment advisory services, fund management services, sponsored projects, intergovernmental POs, or information technology services or products and services]* Vendor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this PO and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this PO, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Vendor shall not knowingly employ or contract with an illegal alien to perform work under this PO or enter into a contract or PO with a subcontractor that fails to certify to vendor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this PO. Vendor shall (a) not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants during performance of this PO, (b) notify subcontractor and buyer within three days if vendor has actual knowledge that subcontractor is employing or contracting with an illegal alien for

work under this PO, **(c)** terminate the subcontract if subcontractor does not stop employing or contracting with the illegal alien within three days of receiving notice, and **(d)** comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If vendor participates in the Department program, vendor shall deliver to the buyer a written, notarized affirmation that vendor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If vendor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., buyer may terminate this PO for breach and, if so terminated, vendor shall be liable for damages.

26. Public Contracts with Natural Persons. Vendor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that they **(a)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(b)** shall comply with the provisions of CRS §24-76.5-101 et seq., and **(c)** has produced a form of identification required by CRS §24-76.5-103 prior to the date vendor delivers goods or begins performing services under terms of the PO.

APPENDIX C – CONTRACTS SPECIAL PROVISIONS

SPECIAL PROVISIONS

These Special Provisions apply to all contracts except where noted in *italics*.

- 1. FUND AVAILABILITY. CRS §24-30-202(5.5).** Financial obligations of the Colorado School of Mines (“State”) payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
- 2. GOVERNMENTAL IMMUNITY.** No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.
- 3. INDEPENDENT CONTRACTOR.** Insert Contractor’s Legal Name (“Contractor”) shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall **(a)** provide and keep in force workers’ compensation and unemployment compensation insurance in the amounts required by law, **(b)** provide proof thereof when requested by the State, and **(c)** be solely responsible for its acts and those of its employees and agents.
- 4. COMPLIANCE WITH LAW.** Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.
- 5. CHOICE OF LAW.** Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.
- 6. BINDING ARBITRATION PROHIBITED.** The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contract or incorporated herein by reference shall be null and void.

7. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00. State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

8. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507. The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

9. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. [Not Applicable to intergovernmental agreements] Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: **(a)** unpaid child support debts or child support arrearages; **(b)** unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; **(c)** unpaid loans due to the Student Loan Division of the Department of Higher Education; **(d)** amounts required to be paid to the Unemployment Compensation Fund; and **(e)** other unpaid debts owing to the State as a result of final agency determination or judicial action.

10. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. [Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services] Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor **(a)** shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed, **(b)** shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, **(c)** shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and **(d)** shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political

subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.

11. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101. Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that they **(a)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(b)** shall comply with the provisions of CRS §24-76.5-101 et seq., and **(c)** has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.

12. PROTECTION OF MINORS. Colorado School of Mines is committed to the safety of all individuals in its community and has implemented a Policy on the Protection of Minors (http://inside.mines.edu/UserFiles/File/PoGo/Policies/HRS/HRS_Policy_Protection_of_Minors.pdf). The Contractor affirms that that they are aware that individuals under the age of 18 may be present on campus during the performance of this contract and the Contractor has taken reasonable precautions regarding their employees, volunteers, or participants to protect the safety and wellbeing of minors and ensure compliance with applicable laws. By signing this agreement, the Contractor certifies that they are aware of, and will comply with, all aspects of the Colorado School of Mine's Policy on the Protection of Minors found at http://inside.mines.edu/UserFiles/File/PoGo/Policies/HRS/HRS_Policy_Protection_of_Minors.pdf.

APPENDIX D - EXAMPLES OF SENSITIVE EXPENDITURES

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
1. Alcoholic Beverages Expense		
a. Official Functions	Conditional	See the University's Alcohol Policy Statement.
b. Meetings/Conferences (where fees are charged for admission).	Conditional	See the University's Alcohol Policy Statement. This includes continuing education courses offered to non-Mines' students.
c. Employees in Travel Status	No	Note, however, that when official functions occur in travel status the official function guidelines apply.
d. Expenditures for alcohol by designated auxiliary operations (Retail centers licensed to serve alcoholic beverages to customers).	Yes	Restrictions apply to fund and account use.
e. Expenditures for alcohol products used as part of a research project and/or for instructional purposes.	Yes	Include business purpose with appropriate expenditure documents.
2. Automobile Related Expenses		
a. University-owned vehicle automobile expenses	Yes	
b. Commercial vehicle rental expenses or trip fares or taxi/shuttle services	Yes	See the University's Travel Policies, Chapter 5
c. Private vehicle automobile allowances	No	
d. Private vehicle standard mileage reimbursement	Yes	See the University's Travel Policies, Chapter 5
e. Private vehicle repairs	No	
f. Moving or stationary vehicle violation tickets	No	
3. Break Room, Reception Room Equipment and Supplies		
a. Basic equipment for taking meals or snacks within the workplace, such as simple refrigerators, microwaves, stoves, coffee pots, toasters, water filtration, etc.	Yes	

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
b. Equipment for entertainment, such as televisions, stereos, VCR's, DVD players, MP3, etc.	Conditional	If the equipment is intended for <i>Employee</i> use the expense is not allowable. If the expense is intended for a <i>Student</i> /public common area then the expense is allowable.
c. Supplies such as coffee, snack food, candy, drinks, paper plates, etc.	Conditional	If the supplies are primarily intended for guests, <i>Students</i> , or a general reception area such purchases are allowed. If the supplies are primarily meant for University <i>Employee</i> consumption then the purchases are not allowed.
d. Consumable items necessary to maintain the cleanliness of a break room or reception area	Yes	
4. Food and Related Consumables		
a. Food and related consumables for the <i>Employee's</i> personal consumption (Not in travel status and not an official function).	No	
b. Food for official functions, including training, community relation, employee recognition, goodwill functions (for guests or volunteers), recruitment functions and other official functions	Yes	If only University associates and employees attend the official function then functions should be limited to infrequent meetings (Less than two times a year) or training events. These are usually multi-unit or campus events. Food is allowed for continuing education courses.
c. Food for standing, regular meetings or staff meetings	No	
d. Regular business meals with only employees or associates even to discuss Mines' business	No	
e. <i>Student</i> Functions	Yes	
f. Meals for employees while in travel status	Yes	See the University's Travel Policies, Chapter 5
5. Conferences		
a. Costs of conferences hosted by Mines	Yes	For food, decorations, awards and other needs of the conference that are covered by the conference registration fee.

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
b. Costs of off-campus conferences attended by University <i>Students</i> , associates and employees	Yes	See the University's Travel Policies, Chapter 5
6. Donations		
a. Cash donations to individuals, organizations, companies, non-profits or other charitable groups.	No, one exception	Only the President's Office may issue or approve donations and they may only approve donations where the donation meets the Mission of the Colorado School of Mines and is for a public purpose. Includes a prohibition on using University funds to make contributions to the School of Mines Foundation or Athletic fundraisers.
b. Event tickets, table or booth purchases where proceeds from the event are donated to individuals, organizations, companies, non-profits or other charitable groups.	Conditional	If the event is part of a business community, professional group or other entity related to Mines' education and research mission and the purchase of such tables or booths represent a benefit to Mines the purchase is allowable. Attendance of Mines' <i>Employees</i> and or immediate family shall be limited to those individuals necessary to properly represent the University.
c. Non-cash donations to individuals, organizations, companies, non-profits or other charitable groups.	Conditional	With approval of the President's Office fund raising events, or campaigns that are campus-wide, such as the Colorado Combined Campaign and the President's Office Christmas food drive, may receive non-cash donations such as the use of equipment (Phone, copy machines, computers), related supplies, campus space or gifts/awards.

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
7. Donor Cultivation and Fundraising Expenses		
a. Incurred to raise donations for others	No	However, the purchase of tickets for <i>Employees</i> , associates and immediate family members to attend such events may be allowable if the event is directly related to Mines' education and research mission and the attendance is deemed required to represent Mines.
b. Incurred to raise donations for the University	Yes	However, required or solicited donations fees are not allowable expenses.
8. Employee Recognition		
a. Work related functions or activities and their related costs, such as team-building exercises focused on the workplace and all associated supplies and materials.	Yes	Subject matter/focus of activities must be directly related to the work environment or work tasks.
b. Non-work related activities and their related costs such as sporting league registrations, sponsorships, fees, and team uniforms.	No	For most units these may be purchased through a collection of donations from fellow employees. These purchases are allowable for Mines' Club sports teams and Mines' Athletics teams.
c. Official Staff appreciation functions (see 4b above)	Yes	Limited to not more than \$30.00 per person and is NOT associated with a holiday and does NOT occur more than two times per year per staff member.
d. Employee recognition events	Yes	Limited to not more than \$30.00 per person excluding any award value and does NOT occur more than two times per year per staff member. For related awards see item 9 below.
9. Flowers and Fruit Baskets		
a. Flowers and/or fruit baskets as centerpieces and other decorative purposes associated with an official function	Yes	

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
b. Flowers, fruit baskets, cakes, etc. purchased for expressing holiday, condolence, get-well or congratulation wishes to Employees or associates.	No	May be purchased through a collection of donations from fellow <i>Employees</i> .
c. Flowers, cards, fruit baskets etc. for community relations, or to express condolences on a death of current Employee(s) or Student(s).	Yes	Purchases of this type may be made only from unrestricted gift funds.
10. Gifts, Tokens or Awards		
a. Gifts or tokens for employees (Cash or non-cash)	No	With the exception of awards approved through Human Resources.
b. Gifts or tokens for <i>Student</i> , associates and non-associates as an indication of goodwill or esteem.	Yes	Examples may include a gift or honoraria for speaking engagements, <i>Student</i> awards/incentives.
c. Employee recruitment gifts/tokens	Conditional	Gifts above \$50.00 are considered more than a token and are not allowable. Tokens, such as Mines; memorabilia, shirts, key chains, glasses, etc. are allowable.
11. Holiday and Birthday Parties		
a. Events to celebrate holidays	Conditional	As approved by the Vice Presidents and President as appropriate.
b. Events to celebrate <i>Employee</i> birthdays.	No	May be purchased through a collection of donations from fellow <i>Employees</i> . Mines' space may be used at the unit director's discretion to host such events.
12. Internet Connections from a Personal Location	Conditional	Only if approved on a temporary basis (less than six months) by a unit director.
13. License Fees, Memberships, or Dues	Yes	When the license, membership, or dues is directly related to the University's mission and the unit or individual functions.

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
14. Moving Expense Reimbursement	Yes	When approved by the Provost or appropriate VP. These reimbursements are typically taxable income.
15. Office Supplies or Equipment for Home Office	No	Includes all office supplies and or equipment for home offices.
16. Parking		
a. Parking fees for an employee at a primary work location	No	
b. Parking tickets	No	
c. Parking fees associated with travel status	Yes	See the University's Travel Policies, Chapter 5
d. Parking fees required at a second/temporary work location such as a public lot while attending a meeting away from the primary work location.	Yes	
e. Parking for guests, businesses or organizations at an official function	Yes	
17. Passports	Conditional	If the traveler certifies that the passport will only be used for <i>Official University Business</i> throughout the period of time the passport is valid.
18. Political Expenses	No	
19. Recruiting Costs for prospective employees		
a. Includes such direct costs as advertising, travel, official functions and background or reference checks	Yes	Applicant meals outside of the recruitment/official function are considered to be in travel status.

Matrix for Sensitive Items		
ITEM DESCRIPTION	ALLOWABILITY	CONDITIONS/ADDITIONAL GUIDANCE
b. Recruitment functions held to introduce the candidate to University <i>Employees</i> and associates for the purpose of assisting the candidate and the University in assessing the degree to which the employment of said candidate would be mutually beneficial.	Yes	Such events should only include those individuals directly related to the purpose of the function.
20. Retirement Parties/Gifts	Yes	Parties/gifts costing over \$500 together require the approval of the Provost or the appropriate Vice President.
21. Tickets to events		
a. Tickets to events purchased for resale to <i>Students</i> and others in the University community.	Yes	These are only allowable when the tickets are to events directly associated with the <i>Organizational Unit's</i> primary functions or if the tickets are part of a continuing education course.
b. Tickets to events purchased for direct use of employees, associates or <i>Students</i>	Conditional	The Provost or appropriate Vice President may approve such procurements where attending the event is deemed to be beneficial to the University.
22. Visas, Green Cards and/or Immigration Fees		
a. Fees for permits/ documents required by the <i>Student</i> or <i>employee</i> in order to conduct necessary studies or work at the University.	Yes	All documents must be processed through the campus offices of International Student and Scholar Services (ISSS) and Legal Services.
b. Fees for permits/ documents required for spouses or dependents of <i>Students</i> or <i>Employees</i>	No	
c. Fees for visas for travel abroad by <i>Employees</i>	Yes	