New Regulations Governing Expenditures & Reimbursements
New Policy and Rule

• Policy 3-010
  Expenditure of University Funds & Personal Reimbursements

• Rule 3-010A
  Expenditure and Reimbursement Requirements
Objectives of the New Regulations

- Support best practices expenditure behavior
- Defines a University business expense and defines the standards for expenditures, including personal reimbursements.
- Ensures that expenditures further the mission of the University and are necessary, reasonable, prudent, appropriate, and transparent.
- Creates a basic framework for processing of expenditure transactions.
- Reduce the large volume of personal reimbursements, which are highly inefficient.
What’s Wrong With Reimbursements?

• Inefficient for both campus departments and central administration.
• Financial burden for the individual while they wait for their reimbursement.
• University generally exempt from Sales Tax, which is nearly always present on these transactions, resulting in waste.
• Doesn’t take advantage of negotiated State of Utah or University contracts.
• Often results in a paper check, compounding the inefficiency.
## Payment Request

**PR-711066**

**Date:** 04/25/2013

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### Reimbursement for Deposit on Post Theater for all-school roast on 4/23/13

**guest:** OC - Guest House

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<th>Date</th>
<th>Description</th>
<th>Reference</th>
<th>Amount</th>
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<td>Final Payment CD-09944106 KZC</td>
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**Total:** $100.00

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**Notes:**
- Business meals, entertainment, or entertainment expenses must include the names of attendees of less than 10 or name of group and number in attendance, a detailed description, and dates of the function.
- Check here if you wish to print the text below on the payment advice (maximum of 70 characters).
- If the supporting information above is not complete, this request will be returned unpaid.

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**Mailing Policy:** Business or home addresses are required for consultants, independent contractors, & visitors. Campus addresses are not allowed if the transaction is reportable under 901 guidelines.

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**Check this box if you wish to make this payment on a separate check:**

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**For the Recipient:**

**Guest Name:**

**Room #:** GROUP

**Folio #:** R9C9FB - 1

**Group #:** 2505

**Number of guests:** 0

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**Clerk:**

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**Date:** 04/25/13

**Time:** 05:16 AM

**Depart:** 04/30/13

**Time:** 05:04:13

**Status:** FOL

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**Balance:** $0.00
**PAYMENT REQUEST**

**ACCOUNTS PAYABLE DEPARTMENT**
201 S. PRESIDENT'S DR, RM 245
SALT LAKE CITY, UT 84122-9003
(Phone: 801/581-8978)

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**PAYMENT REQUEST NUMBER**
PR-00710888

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**YOUR RECEIPT**

**Print this receipt for your records.**

Please note: Refunds & Returns are subject to a 15% processing fee.

**Order #**
12412569

**Date**
04/25/2013

**Name/Id:**

**Payment Method:**

**Credit Card Confirmation #:**
121001380134

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**SAS Software**

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- **Total:** 79.00

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**Order Comments:**

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**UNIVERSITY OF UTAH**

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**UNIVERSITY INFORMATION TECHNOLOGY**

**SOFTWARE LICENSING**

**THE UNIVERSITY OF UTAH**
# Payment Request

**Payment Request Form**

**Payment Request Number:** PR-00710044

**Vendor Number:** PR-0710044

**Payment Request Date:** 03/10/2013

**Amount:** $5.31

**Details:**
- **TO:** Office of the President
- **Account:** 1001
- **Purpose:** Supplies

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**Payment Request Form**

**Payment Request Number:** PR-00711052

**Vendor Information:**
- **Name:** Reimbursement for Travel
- **Address:** Personal vehicle to collect death certificates from Health Department

**Payment Details:**
- **Amount:** $5.65

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**Note:** The payment request forms are used to request reimbursement for various expenses. The forms include details such as the payment request number, vendor information, date, amount, and the purpose of the reimbursement. The forms also include a check box for indicating if the reimbursement is for travel and a note about the purpose of the travel.
Policy 3-010
Expenditure of University Funds & Personal Reimbursements

- Binding for all University colleges, departments, and units, including University Hospitals & Clinics.

- All University Funds are included, and are defined as those which are “administered or held by the University.” This may include:
  - Departmental operating funds
  - Clinical income
  - Gifts
  - Any other funds for which the University is accountable, including monies from federal contracts and grants.
Policy 3-010
Expenditure of University Funds & Personal Reimbursements

- **Emphasis on preferred procurement methods** and utilization of negotiated contracts, and the least costly expenditure outlay to the University.
- **Discourages the use of individual’s personal funds** as a procurement method.
- **Discourages the payment of sales tax** by the University.
- **Prohibits** use of personal funds to purchase on behalf of the University **in combination with** use of the University’s Sales Tax Exemption certificate.
Policy 3-010
Expenditure of University Funds & Personal Reimbursements

UTAH STATE AND LOCAL GOVERNMENTS AND PUBLIC ELEMENTARY AND SECONDARY SCHOOLS

Sales Tax License No. 11874443-002-STC

I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of that entity’s essential functions. For construction materials, if the purchaser is a Utah state or local government, these construction materials will be installed or converted into real property by employees of this government entity. “Directly” does not include per diem, entity advances, or government reimbursements for employee credit card purchases.

CAUTION: This exemption does not apply to government or educational entities of other states.
Policy 3-010
Expenditure of University Funds & Personal Reimbursements

- Establishes a minimum amount, currently $25, under which a departmental petty cash fund should be used.
- Establishes a maximum amount, currently $1,000, above which additional approval is required, in addition to an explanation why preferred procurement methods were not used.
- If an individual makes a purchase which violates University procurement policies, and then seeks reimbursement, it is possible that reimbursement will not be processed.
Rule 3-010A
Expenditure and Reimbursement Requirements

• Establishes the following minimum documentation requirements;
  • Description of item or services purchased
  • Date of invoice or date of purchase
  • Amount
  • Adequate description of business purpose
  • Appropriate invoice or receipts
  • Appropriate accounting distribution
  • Necessary approvals
Rule 3-010A
Expenditure and Reimbursement Requirements

- Combining the use of personal funds with the use of the University Sales Tax exemption certificate is a violation of state law.
- If documentation suggests misuse of this certificate, the reimbursement will require a letter of justification, including approval of the cognizant Vice President.
- Reimbursement requests will *not be eligible for expedited processing* (Next Day or Same Day) without department Director or Chair approval.